

The world economy crisis and its actors in the online-publications of German newspapers and journals

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Abstract: *The paper analyses the media coverage of the world financial and economic crisis in January 2009 and shows how the media evaluate the crisis and its actors. In the period of 12-31 January 2009 there four German online editions of newspapers and journals were analysed: faz.net, spiegel.de, sueddeutsche.de and taz.de. The articles were analysed quantitatively according to the issues and qualitatively according to the evaluation of the crisis and certain actors like banks, the German government, UK, USA and the automotive industry.*

Introduction

Financial crisis, economy crisis, car crisis, disposal crisis, bank crisis, real estate crisis, world crisis – the crisis of the world economy 2008-2009 has many names and many faces.

The globalized world faces a phenomenon in which three situations interfere with each other: a structural crisis of the financial industry, a worldwide economic recession and a structural crisis of one of the leading industries, the car industry. The financial crisis began in early summer 2007 with the bursting of the real estate bubble in the USA, followed by credit markets collapsing and banks suffering big losses – the real estate crisis became a bank crisis. The flow of credit between the banks almost stopped. Also producing enterprises became victims of the crisis. For fear of nonpayments of credit, the banks dealt in fewer credits or raised the conditions for credits. Since

December 2008 the crisis also includes the real economy. Especially affected is the car industry, that suffered a sales slump (Spiegel 28/01/09). In spring 2009, the crisis is not for a long time over yet. It was one of the most important issues in the media for months and affected and still affects many people. How do the media in Germany report on the crisis in January 2009? How do they evaluate the crisis and its actors? These are the main questions of this paper.

The analysis concentrates on the coverage of the world economy and financial crisis in the online-editions of the Spiegel, the Frankfurter Allgemeinen Zeitung (FAZ), the Süddeutsche Zeitung (SZ) and the tageszeitung (taz) between 12 and 31 January 2009. The print editions of FAZ, SZ and taz are daily newspapers, the Spiegel is a weekly journal but the online edition is updated many times a day. These online-editions have been chosen because they cover a wide range of political opinions from middle-right to left with the FAZ on the middle right, SZ and Spiegel in the middle and taz on the left side. FAZ and SZ are considered quality newspapers, sometimes also the taz. The Spiegel, being a weekly journal, is not included in the list of quality newspapers but its website is one of the most visited sites with news content in Germany. That's why it was chosen for the analysis. Spiegel Online had 103 million visits in January 2009, being on position nr. 8 in the list of the most visited German online advertising media, followed by sueddeutsche.de with 19 million visits, faz.net with 17 million and taz.de with 2 million visits (source: IVW, information society for the identification of the circulation of advertising media).

Those articles were included in the analysis which had the word "crisis" in the title. At first, the articles are being analysed quantitatively – their number, their headlines and their issues. Then the articles are being analysed qualitatively – the tendency of the articles and how they evaluate several actors of the crisis.

All in all, 167 articles were found in the four online-editions, 34 on sueddeutsche.de, 59 on faz.net, 22 on taz.de and 52 on Spiegel Online. The fact, that taz wrote less articles about the crisis than the other online-newspapers, may be influenced by its smaller number of readers and therefore by its lower budget.

All the analysed articles have two headlines. The articles have been taken into the analysis if the word "crisis" appeared whether in the first or in the second headline. The first headline often is used for a subsumption of the article into a certain general topic, for example "Financial crisis", "Economic crisis", "Car crisis" (Spiegel, FAZ, SZ) or "Effects of the financial crisis" (taz) "Economic stimulus package" (Spiegel). Some articles describe in the first headline already an exact topic, for example "Financial godsend despite crisis" (Spiegel 18/01), "Serenity in times of crisis" (FAZ 19/01), "Financial crisis overstrains state" (SZ 29/01), "Entry into crisis-Chrysler" (taz 21/01).

The second headline describes the subject of the article in a more exact way:

"Financial crisis – Steinmeier asks for renouncement of dividends" (FAZ 25/01),
"Consequence of the financial crisis – Microsoft eliminates thousands of jobs" (SZ 22/01),
"EU Commission warns – Crisis demolishes 3.5 million jobs" (taz 20/01),
"Car crisis – Porsche again reduces manufacturing" (Spiegel 30/01).

Issues of the articles

The articles have various issues and aspects according to the crisis, whereas some refer to more than one issue. The issue, that gets the most attention, are the negative consequences of the crisis like increasing unemployment, short-time work or the financial damages. The second frequent issue of the articles refers to the state actions against the crisis like the economic stimulus package of the German or the US-government. Few articles refer to positive developments in the crisis or to so-called gleams of hope. Some articles concentrate on secondary or marginal issues like the situation of the German football clubs, fashion in times of crisis, suicides because of the crisis and other issues. Very few articles discuss general consequences of the crisis, perspectives for the time after the crisis, solutions or positive effects. Just one article looks at the causes of the crisis, maybe because the crisis had already lasted some months until January 2009 and the media examined the causes of the crisis already in the end of 2008. Chart 1 gives an overview over the spreading of issues in the four online-editions. What attracts the attention is that the taz wrote much more about the issue “Perspectives/general solutions” than the other online-editions.

Chart 1: Issues of the online-articles
about the crisis (number of articles per issue)

Issue	SZ	FAZ	taz	Spiegel Online
Negative consequences of the financial crisis/ damage	12	17	7	21
State actions against the crisis	11	17	5	18
Marginal issues	4	10	2	7
Gleams of hope	2	7	-	5
General consequences of the crisis	2	6	4	3
Perspectives/ general solutions	1	2	8	3
Positive consequences of the crisis/ benefit	2	1	-	-
Causes of the crisis	-	1	-	-

(N= 167) (multiple mentions possible)

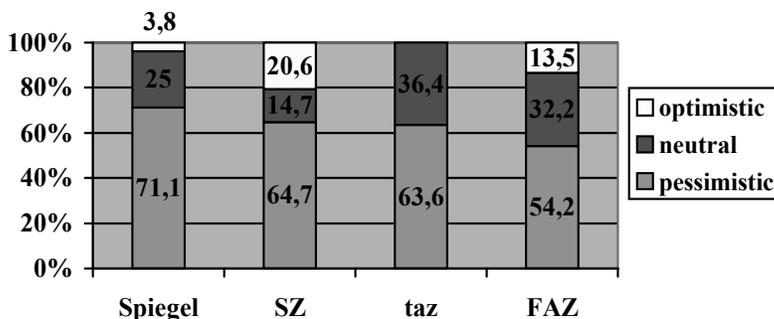
The tendency of the articles

Often the tendency of an article respectively the evaluation of the crisis is already recognisable in the headline. Sometimes just by analysing the whole article one can figure out how the particular author evaluates the crisis.

The financial and economic crisis is seen pessimistically in most of the articles. That means that the expectations for the improving of the situation are considered to be very bad. Over half of the articles in the particular online-editions have a pessimistic tendency. Spiegel Online has the highest percentage of pessimistic articles with 71,1%,

followed by SZ with 64,7%, the taz with 63,6% and the FAZ with 54,2%. The highest percentage of articles with no tendency or a balanced tendency shows the taz with 36,4%. The FAZ reports in 32,2% of the articles neutrally, Spiegel Online in a fourth of its articles and the SZ in 14,7% of its articles. The most optimistic articles were found at the SZ in 20,6% of its articles, followed by the FAZ with 13,5% and Spiegel Online with 3,8%. In the online edition of the taz there were no optimistic articles in the analysed period. Figure 1 shows the percentage of the articles with pessimistic, neutral and optimistic tendency.

Figure 1: Tendency of the articles about the financial and economic crisis (N= 167)



It is interesting that only few articles with an optimistic tendency refer this optimism really to the crisis. Some headlines show this: “Debate in Bundestag about the economic stimulus package - «Crisis as chance»” (SZ 14/01), “Trade reacts on the crisis – Prices for food fall clearly” (SZ 15/01), “Germany and China – The recreational effect of the crisis” (FAZ 29/01), “Climate change – We can be the winner of the crisis” (FAZ 30/01), “En route in Davos – Prudent optimism in the crisis” (FAZ 29/01).

In contrast to these examples, the most optimistic articles promise positive outlook *in spite of* the crisis. This can be seen in the headlines, that are characterised by the words “in spite of”, “beyond” and “against”: “Coalition decides on economic stimulus programme – 50 billion Euro against the crisis” (SZ 13/01), “IBM increases profit – Gleam of hope in the crisis” (SZ 21/01), “Consumer Electronics Show – Filmy hopes beyond the crisis” (FAZ 12/01), “Serenity in times of the crisis – Retail industry” (FAZ 19/01), “Crisis? Not with us – Accountants” (FAZ 19/01), „IT service provider – IBM defies the crisis“ (FAZ 21/01), „Software AG – Software-factory defies the crisis“ (FAZ 27/01), “Billion profit – Siemens grows clearly in spite of economy crisis” (Spiegel 27/01).

In contrast to the optimistic tendency the pessimistic tendency is referred directly to the crisis. The following headlines show it: “Car crisis – The year of shiver has begun” (SZ 23/01), “Volkswagen and the crisis – Gloomy clouds over Wolfsburg” (SZ 23/01), “Ways out of the crisis – The banks get more and more in difficulties” (FAZ 16/01), “Employment rates in January – The crisis has caught the employment market

unprepared" (FAZ 29/01), "Financial crisis – Bank sector is threatened by a quarter of disasters" (Spiegel 16/01), "Economic crisis – Demand on labour nosedives" (Spiegel 28/01), "EZB lacks courage in interest rate reduction – The crisis is there – nothing happens" (taz 15/01), "Effects of the financial crisis – Disaster for developing countries" (taz 30/01).

The pessimistic impression in the articles is emphasised by the use of many negative words. The reader gets the impression that the financial and economic crisis is understood as a natural catastrophe, to which "jobs fall victim" (taz 20/01), which catches the corporate groups "with full impact" (FAZ 26/01). The SZ (21/01) even writes (about the USA): "The crisis is etching further through the country." Many sectors "get into the crisis-eddy" (Spiegel 20/01) and the outlook is "düster", a word that is used exceedingly often and can be translated with "gloomy", but also with "bleak", "dark", "dire", "dismal", "dreary", "murky" or "obscure". Because of the choosing of the words, the financial and economic crisis seems like a catastrophe that rips everything apart, the businessmen and politicians can only watch. The consequences of this crisis are described as "fatal" (Spiegel 12/01). The taz writes about a tragical paralysis, about vampires of the world economy and says that the crisis soon will get even worse.

In the evaluation of the dimension of the crisis the journalists try to overbid each other. The SZ announces on 21 January "after difficult times more difficult times" and writes that Germany and Europe have a problem, "even a tremendous" problem (29/01). The SZ speaks about "the worst economic and financial crisis in the history of the Federal Republic" (29/01) and the FAZ reports about a "drastically declined state of the economy" (12/01), about "an unprecedented system crisis" (19/01), about a "debacle" and a "mess" (23/01) and about the "dramatic financial and car crisis" (26/01). The Spiegel chooses similar hard words and speaks about "times of economic crash and crisis" (26/01). The taz even writes about a "gigantic crisis" (19/01). The SZ comments adequately: "The media overbid each other with superlatives to describe the hopeless state... Not a day passes without shocking news." (29/01).

But sometimes prudently formulated optimistic tendencies appear. The SZ explains that the crisis could be used "also as a good chance" by intelligent acquisition of shares (15/01). The FAZ writes: "To seize the chances of the crisis" (19/01). Also small gleams of hope are mentioned: "There is however a gleam of hope" (Spiegel 27/01). Also in the Spiegel the director of the Federal Bank is quoted with the words "Germany has all competences to get over the crisis well and quickly." (26/01). The SZ writes about a "joyful surprise for consumers" (15/01) and that the economic crisis hasn't arrived in retail yet (26/01). The FAZ reports about "encouraging signs in the middle of the crisis landscape (19/01) and the Spiegel sees in one case "no trace of a crisis" and writes "These are astonishing figures in times of economic downturn" (21/01). The taz is very careful in formulating optimistic appraisals and writes only in one article about "good news" and "even better news" (21/01).

Evaluation of the actors

The most important actors in the articles about the crisis are the banks, the German federal government with the chancellor, the automotive industry and the USA. Underneath these, the evaluation of the United Kingdom is also analysed. Furthermore the IT sector and countries like China, France and Iceland are also mentioned, but they do not play a role in this analysis.

The main players and main causes of the financial crisis – the **banks** – are also the main players in the newspaper articles about the crisis. They are evaluated clearly pessimistically in all four online editions. They are described with many negative and dramatic words: “The banks get more and more in disorder” (SZ 27/01), “The American bank giants falter” (FAZ 19/01) “Now the financial crisis has hit Deutsche Bank with full force too” (FAZ 14/01) “The new year begins with a drumfire of bad news”, “the situation is tricky” (FAZ 16/01) and “a vicious circle of distress sale, exchange loss, accrual, depletion and new distress sale” (FAZ 25/01). The word “angeschlagen”, that can be translated with “tattered” “tarnished” or “stricken”, appears several times. The Spiegel speaks about “heavy turbulences” and a “week of horror” in the bank sector and that “New evil tidings shock the sorely afflicted US bank sector” (15/01). It reports about a “bank tremble” and a “shock wave” (16/01) and about a “bank sector afflicted by high losses” (18/01). The media see the outlook for the bank sector pessimistically: “the forecasts... are rather gloomy” (SZ 15/01), “still there is no end of the downswing in sight” (FAZ 16/01), “A happy end is not guaranteed... It will get even worse” (FAZ 19/01), “the crisis will continue to have a long effect” (Spiegel 16/01). The role of the banks as causers of the crisis is seen only in the background of the reporting. The reader almost has the impression that the banks are only victims of the financial crisis, but the FAZ clarifies “that the present crisis came not from outside into the banks, but came from them.” (29/01). In contrast to the SZ, the FAZ and the Spiegel, the taz doesn’t write much about the concrete situation of several banks, but then very negatively: “The whole world moans about the credit crunch” and states that the profession of bankers is “disreputable” (13/01). The taz with its clear left oriented political direction concentrates more on general criticism on the system of capitalism and on the neoclassical economic theory and on discussing alternatives, writing for example “The unlimited freedom of capital has led into a gigantic crisis.” (19/01).

The next important actor in the articles about the crisis is the **German federal government**, because in the analysed period the creation of state actions against the crisis was on the top of the agenda. On 12 January, the grand coalition of Union (Christian Democratic Union and Christian Social Union) and SPD (Social-democratic Party of Germany) agreed on a package of actions against the economic crisis. The German federal government is evaluated in a neutral way respectively equally positively and negatively by the SZ, the Spiegel and the FAZ. The SZ writes on the one hand, that Union and SPD lose themselves “in the argy-bargy of party politics”, but on the other hand the SZ states that the economic stimulus package will “unfold its effect” (12/01). The SZ praises some elements of the package but criticises it, too, for example with the words “The effect is arguable” (13/01). The SZ continues its

criticism by accusing the government of not exactly “knowing what they are doing” (29/01), that they save without having a plan“ and that “there is a lack of vision in the government” (31/01). The FAZ contains itself in evaluating the government and rather quotes the players, that in person of the chancellor Angela Merkel praise the economic stimulus package and criticise it in person of members of the opposition. Spiegel Online commends and criticises the federal government likewise. They affirm “So much goodwill in the coalition has been rare recently” (13/01). Spiegel Online also writes about a “success” (13/01) and “Well, after all it works, one would like to shout” and lauds the speed of the government (14/01). However, they criticise the fact that the harmony in the coalition is “deceiving”, that there will be “tenacious negotiations in the chancellery” (13/01), that the government should not celebrate themselves that much and that the “gigantic wave of debts” will strike back (14/01). The taz evaluates the German federal government negatively. The newspaper states that the economic stimulus package is “designed absolutely wrong”, that “the state is now helpless” and that the debts are contracted “unfortunately for much nonsense” (15/01).

In some articles mentioned only the **chancellor** Angela Merkel is instead of the federal government. She is evaluated positively by the SZ and neutrally by the other online-editions. The SZ shows respect for Angela Merkel by writing “the daily agenda of Angela Merkel would possibly bring the most people to the brink” (16/01) and communicates the impression that the chancellor is reliable, because the “Merkel-guarantee” (that the federal government would be responsible for individual deposits in case of need) is still valid (27/01). The taz criticises Merkel with the words “Angela Merkel speaks about the biggest economic stimulus package of all times – and probably about the biggest borrowing.” (14/01).

The **United Kingdom** is also a subject of some articles, but is not that important for German newspapers as other actors. The authors write very pessimistically about the situation of the United Kingdom. The FAZ (31/01) writes “Panic dominates in Great Britain” and criticises the prime minister Gordon Brown, who shows the UK as an “innocent victim”. According to the FAZ, Brown, as former Chancellor of the Exchequer, was in fact one of the responsible persons for the “careless era of the cheap money”. Also the typical British wish of having one’s own house is considered one of the main causes of the crisis, evoking high private debts. The FAZ describes the effects with very dramatic words: “Now every ten minutes a family loses its house.”, “If there would be lynchings, the bankers wouldn’t be safe anymore“. However, the article shows also the positive effort of the British against the crisis, discovering “the pleasures of austerity and simple life”. The Spiegel (19/01) analyses the situation in the UK, using negative vocabulary, too. They write about “fear” and “skepticism” and that “The credit crunch is disastrous for Great Britain’s economy”.

Another player – the **automotive industry** – gets a negative evaluation by all four analysed online editions. The reader has the impression that the German automotive industry is mainly a victim of the crisis, whereas the American companies like GM and Chrysler are to be blamed themselves for their misery, as it seems. The Spiegel

writes “The disposal crisis forces Germany’s car producers to more and more drastic measures” (26/01), the FAZ writes about an insufficient “radical reorganization” at General Motors (12/01) and describes the planned entry of Fiat at Chrysler with the following words: “Here a critically sick person looks for the alliance with a dying person” (20/01). The taz also blames Chrysler in writing “The car producer... has lost its way in the model policies with its fat fuel devourers” (21/01).

Like in the description of the general crisis, very negative vocabulary is used in the articles about the specific car crisis, too: “The information is appalling” (SZ 22/01), “Volkswagen won’t get through the crisis without injuries either” (SZ 23/01), “there is anxiety in the whole company” (SZ 29/01), “catastrophic sales figures at Opel” (FAZ 12/01), “crisis-ridden producers” (FAZ 19/01), “Darkness above the American car brands and the dark clouds above the Japan competition” (FAZ 26/01), “winter of dreariness” (FAZ 12/01), “rapid reduction of demand” (FAZ 29/01), “The worldwide crisis in the automotive industry gets more and more dramatic.” (Spiegel 20/01), “New evil tidings in the car crisis” (Spiegel 23/01), “In the meantime the Audi-parent company Volkswagen slides into the crisis” (Spiegel 23/01), “The disposal crisis forces Germany’s car producers to more and more drastic actions” (Spiegel 28/01). Despite the pessimism, VW also furnishes positive news. The FAZ describes its situation with “prudent confidence” (26/01). They also write about a certain company, an engineering service provider, that is a “very big exception” in the automotive sector in not being affected by the crisis (29/01).

The **United States of America**, that are mentioned especially often by Spiegel Online as important players, get a neutral evaluation, both optimistic and pessimistic. On the one hand, the USA are described with their big problems as the country of origin of the financial and economic crisis. On the other hand, the desire for action and the speed of US president Barack Obama in the solution of the crisis is being “admired”. Although Obama takes actions exactly like the German government to reflate the market, he is described unequally more heroic. He “fights against the economic crisis” (SZ 25/01), he shows an “instant start” (Spiegel 21/01) “not to lose precious time” (FAZ 13/01) and works “cleverly” (Spiegel 27/01). There is nearly no criticism among the analysed media towards Obama’s actions. Only the FAZ criticises that Obama obviously doesn’t think about the “dramatic aggravation of the budgetary situation” caused by his expensive actions to fight against the crisis (17/01). But in general, it is mostly the situation of the country that is evaluated pessimistically: The FAZ describes the “big economic sorrows and misery”, the “afflicted middle class” and has a “gloomy image about the state of the biggest economy of the world” (17/01) but also says that the previous American policies, before Obama, bare “considerable responsibility for the evolution, the length and the extent of the current financial and economic crisis” (29/01). According to Spiegel Online, even the “unbreakable optimism of the Americans” suffers from the continuing crisis, the Americans being “the most pessimistic they have been for 27 years” (26/01). The taz did not dedicate a whole article to this important actor, sometimes mentioning the USA or Obama, but not really evaluating them.

Summary

The main issues of the analysed articles are the negative consequences of the crisis and the state actions against it. The negative or pessimistic description of the crisis dominates. The few optimistic articles refer more to positive developments or situations *in spite of* the crisis than to positive news *due to* the crisis. In the pessimistic articles and passages, the crisis is described by all analysed media with dramatic vocabulary as a natural catastrophe, that rips the companies and the whole financial world with itself like a hurricane. A reason for that might be the widespread unsureness of how the crisis could develop and the feeling that no one can really do anything against it.

Small differences can be discovered between the faz.net, sueddeutsche.de, Spiegel Online and taz.de. The left-oriented taz is very pessimistic and passes more general criticism on the causes and on the global solutions of the crisis than the other media, which concentrate more on concrete impacts of the crisis and particular counteractions. The FAZ reports more neutrally than the other online publications. The players of the crisis are evaluated rather pessimistically, especially the banks and the automotive industry. The success of the governments, that are considered being the only possible saviours in the crisis, is seen a bit more optimistically. However, the situation in the countries themselves is described rather pessimistically. The analysed online media agree that the state of the world economy will remain bad for a while longer.

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