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Financialisation, Media and Social Change

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Abstract:

This paper examines the role of the media in shaping the public debate on finance and the economy, and the way this impacts on social change both at the level of policy and of individual behaviours. It is founded in debates about financialisation and neoliberalism which focus on the shift of power to large corporations and the way society has been transformed by the corporatisation of public life. One result of these structural developments is an increasingly integrated political and media culture which promotes the interests of the market and operates to limit the information available to audiences in understanding the issues. Alternative solutions to economic problems are effectively removed from public debate as shown through a discussion of media representations of the current economic crisis and possible responses to it. This limiting of alternatives is implicated in the shaping of sympathetic attitudes to ‘preferred’ views and actions and can facilitate preferred directions in social change at the level of policy by limiting the potential for effective resistance. Whilst the relationship between the media, attitudes and behaviours is complex, behavioural change, as reflected in, say, home-owning trends, is most likely to occur when media accounts are supported by policy moves.
Key words: media, economy, news, social change

Journal of Economic Literature classification G01, G20, L82, P16, R2, Z1

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1 Introduction

The media – television, the press and online – play a key role in communicating to the public what is going on in the world. However the impact that media messages have on the public, and their role in social change both at the level of policy and of individual behaviours, has been the subject of much debate. While technological advances have brought very real changes, and potentially offer greater opportunity for the democratisation of media, there is strong evidence for the continuing influence of the mass media in shaping public understanding (Davis 2006; Philo and Berry 2006, 2011; Briant et al 2011; Happer et al 2013). Media messages are not consumed uncritically by audiences but they do direct, and constrain, people in their thinking. By focusing public interest on particular subjects, which functions to narrow the range of arguments and viewpoints which inform debate, they are central to agenda-setting in the public and private domains.

It is the purpose of this paper to examine the way in which public debate over the economy and, in particular, the media’s coverage of the financial crisis, have been implicated in social change both at the level of policy response and of public behaviours. This involves drawing on a multi-dimensional and integrated model of the communications process which looks at the interest groups - across the financial, political and media sectors - that input into the production of the media, the pressures which shape the content of financial news and the way audiences respond to these media messages and any subsequent outcomes. This includes a consideration of the actions of policy makers who both feed information into the media but also respond to their assumptions about the public reception of what the media says. It also allows for the often intricate and intimate inter-connections between the various elements.

In the last three decades societies in the West have moved towards neoliberalism which has operated to shift power to large corporations. An aspect of this is the
increasing integration of the private sector, including the greatly expanded financial markets, into every aspect of public life. The resultant growth in power and influence of corporations impacts not only on policymaking but also the media with which they interact systematically to focus interest in preferred areas. Whilst this process is neither linear nor coherent and is subject to a range of other production influences, it is a central factor in the shaping of the public debate on finance and is the starting point for this paper. A more focused look at the media coverage of the crash shows in detail how these processes operate to limit the range of alternative perspectives and solutions and reinforce power structures.

Through discussions of findings from a range of empirical studies this paper will go on to demonstrate the way in which media agenda-setting, and the promotion of this limited range of perspectives, are implicated in the shaping of sympathetic attitudes to these ‘preferred’ views and can facilitate policy moves as well as social change at the level of behavioural trends. Equally, consideration is given to the way in which media messages fail to deliver such changes; for example, the widening access to financial information has not led to an increase in sensible financial behaviours, but instead highlights the need for a healthy economic environment in which those behaviours might thrive. But while these structural limitations are significant, direct experience and knowledge also play a role – and studies have shown consistently that it is in an absence of the latter that media messages hold the highest level of power. As most people have little immediate experience of “high” finance, it is a sphere in which the media potentially do exercise great influence, particularly in relation to support for policies to which there may not be alternatives presented. The conditions under which people accept or reject a message when they are aware of a range of alternatives is therefore central to the analysis.

2 The circuit of communications

The communications process is complex with a diverse range of elements and agencies facilitating the flow of information (Philo et al 2014). These include the interest groups, such as politicians and PR consultancies that influence the supply of
information, the processes of production which shape the content of media products such as television news and social media, the way in which the public respond to media messages and finally the impact on decision-making such as changes in policy. The advent of digital media complicates the latter in that it constructs audiences simultaneously as media consumers and content producers allowing for a more interactive level of response whilst also supporting a parallel flow of information that interacts with mainstream media. A further dimension is the actions of policy makers who both supply information, and at the same time respond to what they assume are the beliefs and attitudes of audiences according to their own interests, goals and beliefs however well formed and conscious. The key point is that all of these elements interact and are dynamic. In this way this model incorporates the way that public responses feed through to decision-makers in society but also allows for consideration that the media may have direct effects on decision-making and that social interests may be able directly to influence those decisions via their communicative activities. In both cases this is a kind of ‘short-circuit’ which leaves out the public. To illustrate these points, consideration will be given to some recent developments in our society.

3 The Neoliberal Era and the structural transformation of the circuit of communication

In the last three decades the relationship between the different elements of the circuit of communication has changed structurally. The most significant changes in the west, and indeed across the globe, have been connected with the phenomenon known as neoliberalism. In the period before the Second World War, the effects of the Great Depression of the 1930s had led many to oppose the development of an unfettered capitalism. The Depression had followed the stock market crash of 1929, and free market capitalism was seen as inherently unstable and deficient. After the war, new ‘social democratic’ societies were planned, most significantly in Europe, in which the state would be responsible for planning for employment and welfare systems. Across Europe publicly-funded health services were established, such as
the NHS in the UK, and large sections of industry were taken into public ownership. These policies were accompanied by progressive taxation and were seen as moving the society towards greater equity. In the 1970s a strong ideological reaction against these policies, especially over the taxation of the rich and controls on the ‘free market’ emerged, initially in the USA and the UK. This was the rise of the New Right or the neo-liberals.

Their project was to roll back the priorities of the social democratic state, with its commitments to welfare, full employment, and ‘high’ taxation to fund these. The state would shrink and its role would instead be to remove the ‘restrictions’ on the free market, to de-regulate (as with the banks) and to produce a ‘flexible’ labour market (which involved weakening trade union power). This would increase the scale, scope and mobility of capital in pursuit of profitability, albeit tempered by market competition, but equally allowing larger units to form, making money wherever possible, which would include speculating for property (and other market) speculation, and the packaging of debts and selling them on the world markets as ‘financial instruments’. The whole process was designed to reward the ‘wealth makers’, which in practice means those who own and control capital and able to use their position in the market to multiply their wealth. This last outcome over the last thirty years, as Oxfam reports in their 2013 media briefing, has exacerbated inequality and hindered the world’s ability to tackle poverty [Oxfam 2013].

Whilst theoretically neoliberalism promoted ‘free markets’ in practice it led to increased power of big corporations. One obvious way in which corporations came to have more power was the transfer of key sections of the economy from the public to the private sector via privatisation – for which the Thatcher government in Britain blazed the trail and other (European) countries followed. Subsequently there were many further waves of neoliberal reform including the introduction of market or market-like mechanisms into what remained of the public sector including the health service, education, social services and central government. These were compounded by the rise of PFI and PPP schemes across Europe. All of these gave
corporations more direct control over investment decisions – as well as introducing increasing financial volatility into various aspects of social life – and more involvement in what had been democratically controlled institutions and directly in the provision of government services – meaning not simply in delivery but in policy and decision-making. During the period from 1979 to 2012 the space for the direct influence of corporations over government policy increased very markedly as the country witnessed the ‘excessive expansion and proliferation of financial markets ant their penetration into, and influence over, almost every area of economic and social life’, a process often described as ‘financialization’ [Fine and Hall 2012]. It is useful to look at the case of the UK as broadly representative of the trends taking place across Europe. There was, in Britain, a hollowing out of the state in terms of its representative functions, in spite of increasing state power in some respects. Power increasingly was concentrated in the Executive and in particular with the Prime Minister, while Parliament was sidelined thus diluting the democratic potential of the political system. This diminution of democratic controls on capital and on unaccountable state power, led to an increase in corruption in the political system and throughout the private and public sectors [Miller 2004; Miller 2009; Dinan and Miller 2012].

The trend toward global ‘governance’ has been boosted by the progressive dilution of democratic controls on capital as corporations have increasingly sought to buy their way into the political process [Monbiot 2000; Beder 2006; Carroll 2010]. The increased blurring of previously separate roles and the decreasing clarity on accountability have been described by Janine Wedel (2011) as presaging the emergence of a ‘shadow elite’ whose activities are ‘beyond the traditional mechanisms of accountability’ because they have multiple, overlapping, and not fully disclosed roles. They work as government advisers, lobbyists, think tankers, and consultants to businesses. They communicate directly with decision-makers in pursuit of their interests and, under neoliberalism, there has been much greater scope for direct attempts at influencing policy [Miller 2009] – for example, in the UK
since ‘cash for questions’ in the 1980s and ‘cash for access’ in the 1990s there has been a recurrent drip-drip of lobbying scandals in the UK (Miller 2009; Dinan and Miller 2012) and also at the EU level (Dinan and Miller 2006; Miller and Harkins 2010).

Day-to-day these activities are beyond the reach of public debate and the media’s role is negligible. However, there is one exception, when lobbying misdeeds are exposed in the media. The audience of the mass media is interested in the behaviours of the powerful, and sometimes newspapers and TV will respond to this. The banking crisis and arguments over tax evasion have focused public attention on corporate and private wealth. This can have the effect of undermining elements of corporate self-interest and public image, as in the most recent attack on increasing energy prices in the UK shows. However, the bulk of the media, whilst sometimes critical of individuals, tends not to attack the tenets of free market capitalism and powerful corporate interests are, by and large, promoted. Indeed, much of the media is owned by such interests, and this paper will go on to discuss the way in which the media can be subject to ‘corporate capture’ but, in practice, decision-making by corporations and governments in both the USA and UK tends to operate with little immediate popular involvement.

Recently, the focus of much lobbying and public relations activity has also shifted from the centres of power in the nation-state to transnational bodies. In Europe, Brussels has become a much more important target for both pressure groups and the PR industry (Mazey and Richardson 1993; Balanya et al 2000; Dinan and Miller 2006; Miller and Schlesinger 2000). The global level has also become markedly more important. Corporations are increasingly able to move capital globally to seek higher and quicker profits. Consequently, institutions of global governance such as the World Bank, International Monetary Fund and World Trade Organisation have become more important in regulating ‘free trade’ and corporations have organised their PR efforts at the global level (Miller and Dinan 2003). But in the wake of the globalisation of capital has come the globalisation of protest. Those in Seattle
against the WTO and in Prague against the IMF in 2000 signalled the public emergence in the west of a heterogeneous assemblage of different interests from the developed and developing world united by their opposition to the free market and the dominance of predominantly US multinationals. Anti-capitalist protests have occurred across the world as the global reach of corporations has made clear the interconnectedness of local protests and later as this was reinforced by the global financial crisis. Whilst digital media has aided PR in some ways – speeding up the process by which damage control can be implemented – it also allows for the public, operating en masse, to build influential global campaigns such as the Occupy movement.

One key aspect of the protests is an opposition to the marketing, PR and advertising strategies of multinationals. Propaganda can be discredited at a much faster pace by activists and experts rather than mainstream journalists. Perhaps the greatest potential challenge to the PR industry in the 21st century came in the form of Wikileaks, the global online organisation which has ‘leaked’ classified documents that governments sought to keep confidential. The aim of the ‘leaks’ was to provide the public not only with secret information but information without spin. When UK-bank Northern Rock collapsed in 2008 the print media were gagged by a judge’s order from revealing the details, but Wikileaks released a confidential briefing memo which legal aids attempted and failed to block (Leigh and Franklin 2008). In this way Wikileaks’ disclosures showed real potential for the breakdown of the governmental mechanisms for controlling the release and shape of information on national and global levels. But Wikileaks was forced to rely on the support of the mainstream media to report the leaks. In the case of the US State Department leaks, companies such as Amazon and PayPal bowed to government pressure and blocked the organisation, making it much more difficult to sustain their online operations. These developments suggest that transparency is far from achievable, even in the digital age, but there are increasing possibilities for pressure groups and the powerless to intervene in the process of PR. Digital media certainly offers increased
potential to disrupt the short circuit of decision-making but the extent to which it can be realised is as yet unproven [Philo et al 2014].

4 Financial reporting

The media operate within a complex set of pressures of ownership, editorial control and economic interest. Journalists do have some measure of autonomy in their daily work routines, but this varies greatly between different media and different news outlets. These variations are in part a result of differences in news values, but they also reflect the promotional networks which form around varying journalistic beats. At the pinnacle of the news values of broadcasting, the broadsheet press and some elements of the tabloid press is hard news. This typically revolves around the news beats of central government which are covered by political correspondents or lobby journalists. Whilst the media can be seen as a contested space, subject to a range of factors, politicians inevitably are the key suppliers of routine information to media institutions in areas such as the economy, health or new policy developments. Journalists are reliant upon them due to their unique combination of dual authority status and controllers of information, and this becomes particularly acute in circumstances such as war or conflict where only a limited number may be allowed into the key zones for reporting. In return, politicians in power are in a strong position to insist that their views are featured – especially in the publicly-regulated media. Specialist correspondents can take more interest in the intricacies of policy debates, and can often include the accounts of non-official experts with whom they have built up valuable relationships. Business or financial journalism, which traditionally fell into the category of specialist reporting by the classical definition, was seen to have a watchdog function in scrutinising and holding to account state or corporate power [Tambini 2010]. However, reflecting a number of key changes both in media production processes and the changing role of finance in the social and political spheres, financial reporting has undergone a significant transformation in recent years [Clark et al 2004; Schifferes 2011].
Davis (2002) links the expansion to neoliberalism and the increasing power of corporations in the political and social sphere and argues the transformation has taken place primarily due to:

- corporate communication imperatives that have been more instrumental in shaping business news in the last two decades. City corporations, aided by the employment of proactive financial PR, have managed to ‘capture’ financial news production’ (Davis 2002: 60).

Initially, he argues, financial PR was driven by the need to fulfil regulatory demand and to minimise the risks associated with increased coverage but then became more proactive. The aims extended to meet broader corporate economic objectives through the generation and supply of partial information (also Miller and Dinan 2000; Tambini 2010). This was made possible because businesses pay for all advertising, dominate as sources, have a monopoly on the supply of information – and are the main consumers of business and financial news. The issue of elite sourcing in terms of financial journalism is supported by a range of studies (GUMG 1976, 1980, 1982; Doyle 2006; Durham 2007; Fahy et al 2010) – and one of the reasons they have been so successful in ‘capturing’ the news is that, in contrast to other journalists, they are not torn between suppliers, the main source of advertising, and consumers (Featherstone 2009).

Certainly the (global) inter-connectedness of the industry and journalists is supported by reports which note that ‘crossing the aisle’ from journalism to join ‘friends’ in the financial sector has been commonplace (Schetcher 2009; Fahy et al 2010). As the Leveson Inquiry has shown, these social relations between those at the top of society, including politicians and the media, often lead to mutually beneficial decision-making. The privately-owned press, whilst responsive to political shifts, are led ultimately by their own economic interests both at the macro- and micro-levels. For example, Schechter (2009) notes that media companies take billions in advertising revenue from lenders and credit card companies. The case of the British ‘City Slickers’ in 2000, in which financial columnists drove up share prices for their
own ends, reveals how it can happen at the individual level. But the bulk of the British media, as private enterprises with corporate owners, also tends to support ‘free markets’ and deregulation at the ideological level. A further consideration is the complexities and dynamism of financial markets which mean that journalists often struggle with time pressures to generate independent information, even when journalistic integrity is in present in principle (Doyle 2006; Schifferes and Coulter 2012). As a result, even if companies’ behaviours are in conflict with the public interest, and business agendas and norms and values shape news reporting. Returning to the question of the short-circuit of communications, Davis argues that the financial media is complicit in that the financial elites that govern the City are presented as experts on the economy, and that expertise directs policy makers and regulators in successive governments. In his evidence to the Leveson Inquiry, Davis (2012) notes the increasing influence of reporting patterns on policy across a range of areas - the finance pages inform the politicians too. While politicians may be the primary or proximate definers of public debate, and their commitment to prioritise an issue leads the media, in this case, the influence - and inter-connectedness - of the financial elites on the politicians gives them agenda-setting powers. Van Apeldoorn (2012) argues that this increasingly transnational and globally inter-connected corporate elite have also shaped European policy making since the 1970s. Public opinion [and informing] is sidestepped. Policy on housing, for example, can be seen to be shaped less by politicians acting in the public good, than by the needs of the banking industry and the wider financial sector (Bone and O’Reilly 2010). Whilst the argument about elites speaking to and for themselves is well supported, market developments have also impacted upon the expansion and changing nature of financial news which extends beyond these groups. There has also been rising public interest in financial news (Davis 2002; Schifferes and Coulter 2012). As discussed, one aspect of neoliberalism has been the move towards policies, across Europe and the West more generally, (Onaran, 2011), which advance the role of the financial sector in public life such as financial deregulation and the retreat by the
state from the direct provision of public services and towards privatisation. These have been accompanied by a range of policy moves which aim to support the conditions under which individuals and households enter the financial markets – from promoting private pensions and retirement savings and other investments through to the rhetoric of ‘personal responsibility’ (Whiteside 2002; Clark et al 2004) as well as encouraging a reliance on borrowing from banks as real wages have stagnated (Lapavitsas 2010a). In Germany and Spain wages actually declined in real terms in the 2000s (Onaran 2011). Lapavitsas further argues that, in the UK context, ‘when profits of investment banking reached massive proportion, there must have been a similarly huge accumulation of debt somewhere else in the economy ... thus it was left to the household sector to perform the function of rapidly accumulating debt, primarily on housing’ (Lapavitsas 2010a: 1). In other words, households and individuals were encouraged to become part of the operation of finance by virtue of owning their own home (Lapavitsas 2010b) which, for many more in the past was subject to social provision.

Due to their reliance on politicians as official sources, in combination with the broader promotion of corporate interests as discussed, the media echoed policy rhetoric positioning housing not only as a right, if not social obligation, but as an economic asset in relation to which competition was essential, as these comments (from Bone and O’Reilly 2010: 249) show:

This Government believes that everyone deserves a place they can be proud to call home, at a price they can afford. Homes are the building blocks of our communities. (Yvette Cooper, Ministerial Foreword to the Department for Communities and Local Government (DCLG) Housing Green Paper, ‘Homes for the Future’, July 2007)

What are the right measures that you take to reward hard work, effort and responsible risk-taking? (Prime Minister, Gordon Brown, 13 October 2008)

Until 2007, as a result, the media reinforced the message that that the house price boom was simply a consequence of increased demand outstripping supply, rather
than policies such as deregulation of the banks and provision of larger and more readily available mortgages. Clark et al (2004) have argued that the media rhetoric of ‘personal responsibility’ and participation in the market coincided with a significant growth in advertising for financial products, including mortgages – with total global spending worldwide tripling during the 1990s and fuelling consumer demand (Greenfield and Williams 2001). Personal finance generated high advertising rates which in turn fuelled demand for financial products, paying for more coverage of companies and financial products and, therefore, led to an increase in financial journalists in a self-perpetuating way. As a result of this increased involvement of the public, key elements of finance have developed a growing audience across the general population, most apparent in the USA but also Europe (Clark et al 2004). Such growing public interest has also however catapulted the demands upon the media across a depth (understanding the financial system as a whole) and a breadth (broader social and political implications) that it is incapable of meeting from its mundane if more expanded role in line with the more or less numerical reporting on increasing numbers of market prices. The transition from business to front pages, and from minority to majority reader interest, has exposed inadequacies (if rarely acknowledged). Thompson (2009) finds that the reduction of complexity dovetails with an undue dependence on experts (ie traders) for news. As Thompson (2013: 214) suggests:

It is likewise difficult for reporters to make sense of financial market activities outside of the intersubjective codes and epistemologies provided by financial actors. Some experienced reporters and commentators in the more specialised financial media do have expert knowledge (and sometimes professional investment experience). However, the complexity and specialisation of contemporary financial theory, investment instruments, and trading strategies usually means the reporter is often not in a position to contradict the source except by reference to other authorities...
Consequently, journalists rely on analysts who have the epistemological authority to define market reality. These definitions are contestable within the prevailing paradigm of professional finance, but routine financial news production generally has to accept the premises of the sources in order to make sense as financial news.

In other words, Thompson argues that the need to simplify the arguments is a further consideration in the bias of such expert analysts to favour their own stocks:

Indeed, the UK Financial Services Authority itself conducted an investigation into this tendency in the London FTSE. This revealed that analyst recommendations were 80 percent buy, 18 percent hold and 2 percent sell when the analyst was reporting on stocks underwritten by their bank, compared with 45 percent buy, 38 percent hold and 18 percent sell when the analyst was independent. Institutional investors are doubtless aware of the institutional obligations behind many recommendations and interpret them accordingly, although it is possible non-institutional traders would accept them at face value (Thompson 2009:88).

This growing mainstream interest in finance has been accompanied by an expansion in journalism more generally. Across all areas of reporting since the mid-1990s commercial concerns have been exacerbated by the advent of digital media and 24 hour rolling news which require something always to be ‘happening’ and have a tendency to rely upon sensationalism and drama [Barnett 2011]. This increased audience interest in the markets combined with these changes in news production processes has led to a fundamental shift in which:

Finance has become a media event, with its breathless reporters and star anchor personas more often approximating Entertainment Tonight or MTV [Clark et al 2004: 289]
Financial reporting, once largely specialist, Clark et al (2004) argue, has been commodified and packaged as entertainment, in which large sections of the public feel they have a direct, often emotional, investment. In terms of reporting, more mainstream coverage poses particular issues for financial journalists in that the financial system is highly complex, and there is the difficulty of communicating risk and uncertainty to a lay audience who are looking for simplified explanations. At the same time, they are subject to the time and economic pressures of other mainstream journalists – stories must circulate rapidly, as much as possible should be represented through personalities or celebrities and have an element of drama (Doyle 2006; Clark et al 2004). As one journalist in Doyle’s study noted:

You tend to think about the size of the deal involved – numbers. When you’re talking about multi-billion dollar pound deals then that is considered very sexy indeed. The other thing that would be considered of great value is if the companies involved are household names (Doyle 2006: 438)

Doyle argues that, as the drivers of stories are different to the more specialist press, they are more likely to focus exclusively on large corporate names and dramas, in which blame may be placed on individuals or companies (Tambini 2010), but due to the shared reliance on ‘experts’ are as unlikely to incorporate critiques of the system.

As a result, mainstream financial reporting has a two-tiered audience structure. The audience for this kind of journalism also contains the more exclusive group of professional financiers – although this group are more likely to turn to news outlets such as the Financial Times which meet ‘the informational needs of the investors’ (Doyle 2006). But what of the wider public audience for financial news? The question of whether the more mainstream reporting of financial matters impacts on financial literacy, beyond, say, familiarity with jargon, and financial decision-making as well as perceptions of economic policy making is something which will be explored in the second half of this paper.

5 The media and the financial crisis
The roots of the global financial crisis of 2007–2008, widely considered to be the most severe since the Great Depression of the ’30s, lay in the collapse of the sub-prime mortgage market. International banks had lent huge sums of money to these inflated property markets, in the USA primarily but also the UK and other European countries and, as a result, the inability of the people and institutions to whom these loans were made to repay them began to reverberate across the globe. World stock markets fell, large financial institutions collapsed or had to be bought out, and governments felt compelled to come up with rescue packages to bail out their financial systems. Property bubbles burst in the USA, and across Europe. In the UK, according to Sir John Grieve, Deputy Governor of the Bank of England (2006–9), the British banking system came within hours of collapse (Berry 2012). An inter-related crisis, rooted in growing government debt, in the Eurozone hit economies such as Ireland, Spain and Greece particularly badly.

Journalism is most scrutinised in terms of its coverage of a crisis – in relation to the financial collapse of 2008, and its aftermath, one of the crucial questions became why did the media collectively and systematically fail to warn the public (Lashmar 2008; Schechter 2009; Tambini, 2010; Fahy et al 2010; Berry 2012). But while Alan Greenspan, the influential former Chairman of the US Federal Bank claimed that ‘everybody missed it – academia, the Federal Reserve, all regulators’ (New York Times, 25 June 2011, quoted in Berry 2012: 6), Mike Berry (2012) notes that, in fact, a number of economists, journalists and commentators had discussed the potential risks and threats. The mainstream media did not, however, provide them with an effective platform to voice their concerns.

Schechter’s (2009) claim that ‘most of the papers missed the run-up to the crisis just as much as the press was uncritical of the run-up to the war in Iraq’ alludes to the processes by which sources of information were systematically drawn from groups least likely to provide any critique of the system – because they have vested interests in it in this case in the form of profits and the huge bonuses being made from the deals being pushed through. As Elliot and Atkinson (2008:11) put it:
In January, (2008) panellists at the World Economic Forum in Davos were asked how the big banks of North America and Europe had failed to spot the potential losses from sub-prime lending. The one word answer from a group that included the chairman of Lloyds, London ... was ‘greed’.

As Davis notes the ‘capture’ of financial news by those representing and contained within the system, and their inter-connection with successive governments and journalists and the sharing of neoliberal values, meant that critics of the system were effectively silenced. As Philo notes ‘put simply, the bankers, private enterprise and high profits were heroes or at least accepted as heroes as long as the economy appeared to be booming, house prices went up’ (Philo 2012). A range of studies [Starkman 2009; Marron et al 2010; Mercille 2013] have shown that coverage of financial matter preceding the crash, including the housing boom, were largely positive about the directions in which the economy was going. In his analysis of the Irish media’s coverage of the housing boom, for example, Mercille (2013) notes that while headlines such as ‘Bricks and Mortar Unlikely to Lose Their Value’ [Irish Times 11 December 2002 quoted in Mercille 2013] were commonplace, articles criticising the system or predicting the bubble were rare. US financial journalist Schechter (2009) noted that he attempted to raise the alert of the impending crisis but was dismissed as an ‘alarmist’ or a ‘doom and gloomer’.

Philo (2012) argues that there are, therefore, four key factors that shaped coverage of the crisis and how it should be resolved:

- Firstly, the political and economic ideologies of privately-owned newspapers.
- Secondly, the commercial imperatives of the various news outlets, which means that they do have in some way to be responsive to the beliefs and needs, including entertainment, of their consumers to sustain sales.
- Thirdly, the definition of democratic representation which has the politicians as primary definers in relation to publicly accountable institutions such as the BBC.
- Fourthly, the most powerful unelected elites, such as the bankers and other members of the financial class, are likely to have an immediate access to the BBC
and other media outlets, because they are treated as ‘experts’ and important decision-makers.

When the financial crisis broke in 2008, the British popular press reflected the angry mood of its readers, emphasising the greed and misdeeds of those within the banking industry:

**GREED THAT FUELLED A CRASH** *(Daily Mail, 14th October 2008)*

**SCUMBAG MILLIONAIRES: Shamed Banked Bosses ‘Sorry’ For Crisis** *(The Sun, 11th February 2009)*

**DON’T LET THE SPIVS DESTROY BRITAIN** *(Daily Express, 17th September, 2008)*

Further, the need for the media to reduce complexity for its two-tiered audience in response to the crisis led them to draw on a number of techniques involving dualisms between the external and internal (our fault or theirs, especially as national versus global) and between exogenous and endogenous (unavoidable or not), with a corresponding ethos of blame, responsibility and control and good or bad management *(Nord and Olsson 2013)*. Across the global media, expressions such as ‘greed’, ‘madness’, or ‘irrational exuberance’ were widespread *(Meissner 2013)*, mainly in reference to those directly involved in banking. This sensationalism in language and focus partly reflects the transformation of financial news to entertainment and the need to find personalities and drama on which to hang simplified stories *(Manning 2013)* but also a tendency to apportion blame. A number of commentators have noted a tendency to blame various targets and their flaws – for example, Tracy *(2012)* found that US major broadcasters framed the crisis in terms of the alleged flaws of Greece and the Greek people in relation to their public debts prior to joining the Eurozone, while the European press had a tendency to lay blame at the door of the irresponsible US banks *(Schechter 2009)*. However, as *The Sun* explains in this editorial:

> Many will ask if it is right that tax payers are forced to subsidise irresponsible borrowers and greedy banks. But what was the alternative?
Neither America nor Britain could stand by and watch their economies disintegrate. *[The Sun, 20th September 2008]*

This thought is then taken further by David Cameron who, as Prime Minister, argued that we must stop attacking the bankers. In the *Daily Telegraph* he was reported as saying:

David Cameron: stop seeking vengeance on bankers: Voters must stop seeking to “take revenge” on banks and accept they are vital to economic recovery, David Cameron said yesterday. *(The Daily Telegraph, 15th January 2011)*

In this way the financial sector is promoted as beneficial to the economy and blame is imposed on groups of individuals guilty of wrong-doing or errors rather than systemic failures which, if addressed, might lead to more attention to radical transformations of the system. As Berry [2012], who analysed coverage on the BBC’s flagship news programme *Today* across two months in 2008, found the range of experts consulted on the crash included representatives from the financial community (in the largest number), politicians and lobbyists – all of whom have a tendency to approach the subject from a free market and light-touch regulation approach. As a result, all those consulted on what went wrong were most likely to be supportive of the system which created the problems, even on the BBC which aims to offer ‘balance’ and interrogative journalism.

6 Media representations of solutions

Berry [2012] further looked at the way in which potential solutions to the British banking crisis of 2008 were considered on the *Today* programme. He found that, in spite of the existence of a number of reputable economists such as Joseph Stiglitz arguing for at least temporary nationalisation of the banks, the case for nationalisation was not put forward in his sample. In fact the opposite was the case: it was strongly argued against with one BBC journalist describing it as ‘meddling’ in the banks. To audiences, however, who cannot always make clear judgements on the
credibility of speakers, these City voices are treated as impartial experts. As Berry notes:

This means that City voices are given almost monopoly status to define the issues and how they might be resolved. The consequence of this is that far-reaching reforms are either completely absent or appear briefly only to be instantly downgraded. (Berry 2012: 15)

The longer-term consequences of the crisis have been the economic recession and increased unemployment as the government made attempts to cut the ‘deficit’ [i.e. the gap between what governments take in as tax revenue and how much they spend] (Philo 2012). The new British government, a coalition of Conservatives and Liberal Democrats, elected in 2010 to replace the New Labour government presented a financial ‘solution’ by increasing general taxes such as VAT and cutting government spending in local services, education and welfare. This was offered in direct opposition to the previous government onto whom both the media and the coalition effectively shifted blame for the financial crisis. As Pirie argues ‘the failure of the Labour Party to advance a clear analysis of the crisis played an important role in enabling the dominance of Conservative narratives of the crisis focused upon public spending’ (Pirie 2012: 341 ). In other words, the media constructed a false opposition between New Labour and coalition policy, which in fact was largely one of continuity in respect of the broader free market principles (Cobham et al 2013). In this way radical solutions, and alternative to the cuts, such as taxing or controlling the bankers or other wealthy groups were again excluded from public debate.

It is an interesting paradox that while the commentators discussed here present a strong argument for the media as supportive of the financial system, it has likewise been suggested that the media are responsible for exacerbating the financial crash by being negatively predictive of the effects of the crisis and causing panic (Parliament Publications 2009; Davies 2009). Former Prime Minister Brown has pointed to the detrimental impact of the anticipatory reporting of Robert Peston from the BBC, in particular in relation to the run on Northern Rock in 2008. This is a
reminder that, in spite of some of the general trends highlighted, the media can never be seen to be a simple mouthpiece of the state or any other major interests. Some of this can be related to the constant imperative, of both the privately-owned and publicly owned media, to be responsive to audiences, most significantly in the case of Northern Rock. But there is also the question of journalistic integrity which can never be fully dismissed (Doyle 2006; Tambini 2010). There can be real substance to journalists’ claims to feature a wide range of views, and adherence to the journalistic norm of balance. In the case of coverage of the financial crisis, Schechter (2009) highlights the example of *The Daily Telegraph*, nominally a free market and Conservative-supporting newspaper, which was most outspoken of all of the British press in its predictions about the financial problems looming. Journalists on the paper were denounced as alarmist when, as Schechter argues, they were often most accurate and predictive of what was to come:

What started as a kind of anglophile bashing of Wall Street and Americans for the lack of regulation turned into scrutiny of British practices in the Northern Rock affair and its aftermath. [Schechter 2009: 25]

Significantly, these, and other select journalists (Schifferes and Coulter 2012) were assessing the crisis and its potential effects across Europe and in their own countries during a period in which the media began to deal with the consequences of the crisis by cutting staff and saving costs across the industry. But, as with the case of the BBC’s challenging of the government’s ‘dodgy dossier’ of 2003 to persuade the public of the justification for going to war with Iraq, the state line can be challenged even when careers are jeopardized in the process.

Overall however the extent to which media are ‘open’ to alternatives and may feature many contesting views is likely to vary in relation to conjunctures of political, economic and institutional factors, all situated in the framing of longer-term conditions and imperatives attached to neoliberalism. There tends to be, for instance, a more open expression of alternative perspectives when powerful groups are not united in their accounts such as the controversy within the Labour Party in
the final stages of Tony Blair’s leadership, or divisions in the Conservative Party over Europe. But the broader neoliberal agendas of successive governments, and the increasing inter-connectedness of financial experts, policy makers and journalists, means that the financial media continues to play a central role in shaping our understanding of the financial crisis – as well as in the limiting of alternatives. In spite of the loss of trust and failures exposed, the same mechanisms remain in place, with all of the barriers that this may potentially pose to the progression to a more effective fiscal policy and approach worldwide.

7 Media content and audience belief

These discussions about the suppliers of information and the shaping of media content highlight the way in which a range of dynamic processes coincide to highlight ‘preferred’ views and explanations, and lead to an absence of alternatives, although how such establishment postures are themselves formed and projected needs to be interrogated. However, the way in which this impacts on public understanding, beliefs and perceptions cannot be assumed to be direct and automatic. Debates in mass communications theory have traditionally oscillated between theories of passive and active audiences (Livingstone 2013), with the advent of digital media, in which audiences often are at once consumers and producers, adding a further dimension. A key question is the degree to which individual interpretations of media accounts differ from the intended message. The Media Group’s work on responses to media output suggests that varied audience groups do have a very clear understanding of what is the dominant message and can reproduce it very accurately (Philo 1990; Philo 1996; Miller 1998; Philo and Berry 2006, 2011; Briant et al 2011). The negotiation, including acceptance and rejection, of the media message by audiences depends in part on the manner in which messages are constructed but also on what audiences ‘bring’ to their understanding of what they are being told. The impact of the media should, therefore, be integrated with studies that look at content and processes of reception together as parts of the circuit of communication. How well informed audiences are and what they can bring in terms
of prior knowledge and experience of a subject is not the same for everyone in the audience – and it is not just levels of knowledge that audience members carry with them, they also bring cultural values, preferences and levels of interest. A key finding across research projects, however, has been that people use their own direct experience or alternative sources of knowledge to evaluate media messages [Philo 1990; Philo 1996; Miller 1998; Philo and Berry 2006, 2011; Briant et al 2011; Happer et al 2012] . Other research has shown that acceptance or rejection of media accounts can also depend on the use of processes of logic and reasoning [Philo, 1990, 1996]. But interpretation drawing on direct experience or other knowledge, excepting those cases in which great fear or panic has been generated [Philo, 1996; Briant et al 2011], is a consistent finding across our research – with the corollary that if there is no direct experience or other knowledge of an issue then the power of the message increases, and the audience becomes more reliant upon it.

In relation to the coverage of the crash, and of financial journalism more generally, the lay audience therefore are very reliant upon media accounts of the workings of the financial system and economic policy, of which most will have little knowledge and/or no direct experience [FSA 2006; Vlaev et al 2013]. For example, in spite of intense media coverage, a YouGov poll found that the majority of the British public are incorrect about which is greater between the deficit and the public debt, with more than a third simply offering a ‘don’t know’ [Jordan 2013]. In the media debate over the response to the crash, the limiting of solutions to the problems imposed by the financial crisis is likely, therefore, to limit what people can think, as they do not have alternative knowledges on which to draw. Indeed this closing down of options has apparently affected public attitudes to the cuts, with recent polls showing nearly 60% of the population accepting that they are ‘at the right level’ [YouGov 2011]. A focus group study looking at perceptions of the causes and solutions to the rise in Britain’s national debt [Berry, in press] also found that most people thought that the public cuts were the answer, as one respondent said ‘they’ve expanded so much of the public sector that they’re now going to have to go the other way, aren’t they?’
whilst another simply put it ‘chop the inessentials’.
In other words, the strong reinforcement of the message of the necessity of cuts and there being no space given to radical alternative to them can be seen effectively to limit public perception and debate. Davis’s (2002) arguments about ‘corporate capture’ adds a further aspect. Whilst social changes at the level of policy do not require public support, they are certainly facilitated by it, and just as crucially by the elimination of active opposition. This is primarily because governments constantly strive for electoral support. In this sense we see the way the circuit of communications operates; cuts are presented as an inevitable ‘solution’ to the economic crisis and this makes way for these radical social changes to be pushed through by limiting the potential for public resistance. While the interplay of public opinion, policy implementation, and social change is complex, the media can often play a legitimising role. In the next section, we will look more closely at the way in which information is negotiated by audiences and impacts on knowledge, attitudes and individual and household behaviours.

8 Audience negotiation of media messages about finance and the crash: Trust and credibility
The processes by which mainstream audience groups negotiate financial news coverage, including representations of the crash, has received limited attention (Schifferes and Coulter 2012). However, it is possible to apply some of the principles drawn from other research in this area to open questions up for discussion and investigation. Recent research by the Glasgow University Media Group (Happer et al 2012; Philo and Happer 2013) has shown that a key factor in the processing of public messages at the current time is the drop in trust placed in public figures (Happer et al 2012; Philo and Happer 2013). Trust in British politicians following the expenses scandal of 2009 (Ross 2010; Ipsos MORI 2013), and exacerbated by revelations at the Leveson Inquiry in 2012 [Philo and Happer 2013], has fallen dramatically in the period since the crash. This has been accompanied by a significant reduction in trust in public institutions including the police, the church, and the media – and, in direct
relation to the crisis, there is declined trust in financial institutions across Europe and the globe (Gallup 2103; Edelman Trust Barometer 2013; Skellington 2013). Public trust in bankers, in particular, is at an historic low (Yougov-Cambridge 2013) and a significant proportion of the population:

- display a deep level of mistrust in the objectivity of business journalists, their reliance on biased sources, and their lack of understanding of the concerns of ordinary people. (Schifferes 2010: 3)

Whilst some of these trends have appeared since the crash – and in some cases in direct response to it – the current backdrop of reception of financial news is, therefore, one of cynicism and lack of trust. The speakers to which the media turn (Doyle 2006; Fahy et al 2010; Berry 2012), including politicians, bankers and City insiders, to make sense of financial information are, then, not perceived to have a great degree of credibility at the current time. However, due to the reliance on elite sourcing by business journalists, these at the same time are the speakers upon whom audiences are dependent upon to make sense of the complex workings of the financial industry, and the impacts on themselves as households and individual financial agents. The attribution of trust and credibility thereby becomes a dynamic process of balancing different sources, made all the more complex by the increasingly competitive media environment in the digital sphere.

Whilst most people still go to television news to find out what is happening in the world, (Ofcom 2012; DigitalTVEurope 2013), research has found that digital media outlets tend to provide a source for ‘episodic’ consumption often in those situations in which audiences are seeking information on a particular subject or event, especially after they have already received the news headlines from TV news or a newspaper (Philo and Happer 2013; Schifferes and Coulter 2012). As a respondent from Philo and Happer’s 2013 study of public responses to information on climate change illustrates:

These days I find that if I can’t get to the bottom of something I go to the internet and source it there, I’ll check it for there, if there’s something I want
to know more on, I check it on the internet. [Philo and Happer 2013: 67]

It follows that a key factor in research is collecting information across a range of sources in order to gauge what one focus group member described as an ‘Internet consensus’ – and there is evidence to suggest that people are using a wider range of sources to find financial information since the crisis began (Schifferes 2012). A second factor is the reliance on traditional trusted sources, such as recognisable brands and known journalists and bloggers (Philo and Happer 2013). Research by Schifferes and Coulter (2012) looking at online news consumption during the crash bears this out – firstly by highlighting the increasing traffic across recognisable brands including the BBC and Yahoo (a combination of which Internet users might use to assess credibility) and the importance of known bloggers, most significantly the BBC’s Robert Peston. In this way, in spite of the cynicism and lack of trust in the main speakers, in times of crisis the public turn to respected brands such as the BBC online to interpret the information – which Schifferes and Coulter found drew on elite sources, mostly government leaders and central bankers, in much the same way as shown by Berry’s analysis of the Today programme during the crisis. The reliance on other established news brands such as Yahoo, which themselves rely on the same sources, means that audiences are subject to the reinforcement across media of a limited range of perspectives and debates, even in the situation in where they may actively be seeking an alternative to sources they tend to distrust.

9 Public understanding and engagement with financial behaviours

The shift in financial journalism since the mid-90s from specialist to mainstream due to changing technological, political and production processes discussed earlier in this paper coincides (and is inter-connected) with a growth in audience size which further escalated in response to the banking crisis (Schifferes 2010; Schifferes and Coulter, 2012). In 2010, for example, two years after the crash, 75% of British people said that they were following news about the state of the economy closely, with only one in ten saying that they hardly ever checked the news – a significantly higher level of interest than in 2005 before the crash (ICM quoted in Schifferes 2010). There is a
tendency for communicators to assume that a lack of information and, consequently, understanding are related to knowledge and skills and ultimately engagement – in this case around more or less appropriate and sensible financial behaviours – which is often now referred to as the ‘knowledge-deficit model’ [Bak 2001]. By this model, the increase in volume, and appetite for, financial news following the global financial crisis might be expected to increase levels of capability and related engagement recorded prior to it. A survey conducted by the Financial Services Agency in 2006 found that a significant proportion of the British population, perhaps as much as half, lacked ‘financial capability’ [FSA 2006; Schifferes and Coulter 2012] defined as ‘a broad concept, encompassing people’s knowledge and skills to understand their own financial circumstances, along with the motivation to take action’ [Aynsley 2009]. This includes the ability to budget, planning ahead, choosing financial products with care and stay informed on financial matters. However, a survey conducted in 2013 [Vlaev et al 2013] which repeated some of the questions in the 2006 FSA survey, found that poor financial skills were still prevalent. The survey also found that while, in spite of media accounts which construct the individual as actively responsible for their own financial future in the form of pension schemes, life insurance and retirement savings [Whiteside 2002; Clark et al 2004] in fact the public are focusing on the here and now rather than planning for the future [Vlaev et al 2013]. In other words, the increased information has not had a uniform or predictable impact on behaviours. The lack of credibility attributed to sources of news about the financial system, as discussed, does not necessarily preclude attitudinal change in response to them, especially in those circumstances where alternatives are limited. However, other research conducted by Philo and Happer [2013] indicates that the lack of faith placed in the sources may be implicated in disengagement at the level of behavioural commitments. In that study, attitudinal sympathy with the cause of climate change tended not to be accompanied by commitments to behaviours because of a perception of pessimism and lack of trust that change would happen at the higher
level. Similarly, in his article ‘Trust-meltdown for business journalism’, Schifferes [2012] suggests comparable apathy derived from uncertainty and lack of trust:

The severity of the crisis shattered trust in the high banks. It led to greater uncertainty and fear in the public mood, as people are no longer clear where to turn for financial advice. [Schifferes 2012: 2]

Further, in the sourcing of finance information for which the appetite has grown exponentially, media coverage of the crash and the ongoing fallout is seen by the public as unsatisfactory in that it has tended to focus on how the crisis might affect affluent groups such as shareholders, with little attention to the way it has affected the everyday lives of citizens through wages, jobs and personal finances [ICM 2010]. An interesting adjunct to this is provided by data on increased consumption of BBC online news [Schifferes and Coulter 2012] which shows that, in spite of this widely felt criticism, Q&A’s and personal finance stories were sourced relatively rarely compared with news updates and the Peston blog. A seeming contradiction, it is likely this is simply a reminder of one of the key functions of news – in addition to informing audiences, the news provides entertainment, and the drama and sensationalism inherent in the story of the global crash meet all the values of ‘newsworthiness’. That Robert Peston has become a celebrity – or as some call him a ‘phenomenon’ – since the financial crash adds weight to the argument that audiences were tuning in not just for information on the financial crash but to follow the narrative as it played out [Clark et al 2004]. It is likely that the intensification of social media in the years since the crash, which focus on live updates and often sensationalist statements lacking depth may have enhanced this tendency. In retrospect there appears to be dissatisfaction at the level of debate, but in the short term it is possibly other factors that dictate consumption.

The one type of website which did prove to be relatively popular in Schifferes and Coulter’s analysis was that incorporating market data – and this was more in evidence on days in which Wall Street or the FTSE saw large falls or gains, suggesting that there was some element of guidance involved in the sourcing of
financial news. In an earlier study of the USA by Hilgert and Hogarth [2003] which looked at the connection between knowledge and behaviour focusing on four financial management activities - cash-flow management, credit management, saving and investment – they found that those with higher financial knowledge were more likely to follow recommended behaviours, but mostly this was related to prior experience of markets rather than exposure to information. Information on the characteristics of the consumers of market data is not available but these findings suggest the possibility that they will be drawn from groups already in possession of the highest levels of knowledge and experience, and most likely already to be engaged at the level of recommended behaviours. These may include, although are likely to be broader than, the elite groups whom research has shown actively engage in ‘reflexive calculative behaviour’ [Davis 2006, Doyle 2006].

There are also a range of studies which show that cultural and social values and positionings are more significant than access to, or understanding of, information [Moser and Dilling 2010; Kahan et al 2011; Poortinga et al 2011]. There is, for example, the possibility that particular financial behaviours, in particular, the stockpiling of assets in any form, may not be endorsed by groups who hold, say, anti-capitalist views. Even when perceptions and attitudes exist that such behaviours may lead to well-being – for example, gaining a mortgage - these behaviours may well lose out to other more established values and identities.

Returning to the question of increase in ‘here and now’ financial behaviours [Vlaev et al 2013], this raises the issue of how structural factors, such as the low wages and unemployment, might prohibit engagement with financial barriers in spite of informed attitudes and perceptions about well-being. Currently, many are struggling with their finances and there is widespread concern about making finances last until pay day [Vlaev et al, 2013]. There becomes a sense that, with such external factors, the role of information, and attendant skills and knowledge, may well be secondary if not marginal. Shove [2010], for example, argues that that values and/or attitudes do
not necessarily translate into actions largely because behaviours are routine and contextualised, subject to social factors and the influence of social institutions.

10 The role of information

The range of the work of the GUMG, however, has shown the conditions under which new information has sometimes produced radical changes in behaviour (Kitzinger 1990, 1993; Miller 1998). Information making the link between smoking and cancer, for example, has clearly produced substantial behavioural change. Again a key factor in this appears to be reinforcement of a dominant message, one that is largely uncontested. The key question becomes under which conditions does information make a difference in relation to behaviours? When a single message becomes increasingly dominant and subject to reinforcement, the knowledge-deficit model gains strength – as in the case of the effectiveness of the anti-smoking campaigns. But isolated messages, which generate fear or panic, can also potentially impact on mass behaviours (Philo 1996; Briant et al 2011). In relation to the run on the UK bank Northern Rock in 2007, for example, it has been claimed that the BBC’s news reporting of the government rescue plan for the troubled former building society panicked customers into queuing up to withdraw their investments (Peston 2008; House of Commons Treasury Committee 2008). While it is difficult to prove a causal link between the news reporting and the run on Northern Rock, it certainly played a significant role, in an event which incorporated:

the futility of public statements of reassurance, the mutually-reinforcing anxiety of depositors, as well as the power of the media in galvanizing and channelling that anxiety through the power of television images (Shin 2009)

Sir Callum McCarthy, former Chairman of the FSA put it:

It was extremely unfortunate that the information leaked because it meant that instead of this being put in place as, ‘This is a solvent institution which has a cash flow problem and the Government is stepping in to make sure that it is saved’, it became a panic measure or a response to something that was
already in the making. Panic was how it was seen. [House of Commons Treasury Committee 2008: 65]

Previous reception studies conducted by the Glasgow University Media Group [Philo 1996; Philo et al 2014] have shown that in some cases the fear generated by media accounts is powerful enough to overwhelm direct experience. In the case of the run on Northern Rock, sensationalist news coverage combined with a delayed reaction from the government in terms of reassurance led some to act spontaneously – perhaps in many cases even when knowledge and experience may have leant against such action. Clark et al (2004) argue that mainstream financial journalism’s role as intermediary in the general public’s relationship with the finance industry has led to markets moving in less predictable and often unhealthy ways. For example, they argue that increasingly active audiences, often ‘educated’ by financial infotainment and advertising, impose pressure on financial markets - by increasing demand for unsustainable stocks, housing, for example, and increasing market volatility. In a sense the run on Northern Rock may be seen as an escalation of this trend.

The media message is, however, most powerful in driving longer term behavioural change when it is accompanied by structural support, most significantly, actions at state-level to produce the conditions under which particular behaviours are encouraged. Policy and business moves to influence the key factors that shape household decisions to purchase a home such as availability of credit played a most significant role in the housing boom. However, the media’s role in the promotion of home-owning was also significant – studies previously referred to show the way in which the media supported the housing boom, primarily by limiting any real criticisms of the risks involved but also through articles celebrating house price rises [Mercille 2013]. That, irrespective of the ability to buy homes, attitudes have remained consistent is evidence of a cultural as well as a behavioural shift – a large-scale UK survey from 2011 [Taylor 2011] found that, even after the crash and a consequent decline in homeownership [BBC 2012], 86% of respondents expressed a desire to buy if possible, with most claiming that the main advantage of owning being
that it is a good investment. Media information, therefore, can be seen to play a role in the negotiation of financial behaviours. There is, however, a complex process of negotiation involving a range of factors, including current and past media accounts [and the potential emotions they may generate], beliefs, knowledge and experience, structural support and barriers and values, which lead to behavioural commitment and change, or which inhibit these. In relation to the role of public communications about financial behaviours, the messages about recommended financial behaviours, and their relation to well-being, are of reduced impact in a context in which options are limited [Aysling 2009]. There are a number of impacts of the crash such as insecurity of employment and higher taxes resulting in lower disposable incomes which will have affected these options. In any case in which behavioural change is promoted there is structural support - which is offered to the various groups within the audience for financial media in very different ways - the reinforcement of media message driving simple solutions open to people, which do not necessarily lie easily with personal experience, beliefs and ideologies.

11 Conclusion

The process by which media messages about the economy at the global and national level, and their promotion of particular financial behaviours, impact upon social change across policy and individual action is, therefore, highly complex and dynamic. In the financial sphere there is evidence of a circuit of information supply and reception which operates systematically to privilege corporate power and influence. But factors such as journalistic practices, the level of access that audiences have to alternative explanations and expertise and a lack of coherence between media, political and corporate goals can also coincide to hinder the promotion of these interests. The example of the run on Northern Rock, for example, shows the way in which media-constructed panic can lead to behaviours in conflict with corporate aims. But there are examples where political, corporate and media objectives conform with one another as with the expansion of the housing market. In this case the public clearly play a role in that they respond to such messages with positive
behaviours - buying and selling homes - but the process by which the information is negotiated is likely to be much more complex than that suggests. Whilst there has been a great deal of research conducted examining the way in which production processes shape media, through content analyses, there is only a limited number of research studies looking at the way in which publics accept, reject and act on financial messages and how these lead to the variety of outcomes which include policy support and specific behaviours. There is therefore a pressing need for this work to be conducted if an understanding of the role of the media in social and economic development is to be more fully understood. This paper will close with a few recommendations in respect of future work.

A key consideration of any empirical work in this area is that the audience for financial news is hugely diverse, and there is a broadly tiered audience structure with elite groups, largely drawn from the finance industry, at the top, an informed ‘investor class’ in the middle and those who own mortgages and/or pensions-savings just below those who have little direct investment in, or knowledge of, financial systems such as students and the unemployed. It is likely that all of these distinct groups pursue different objectives and needs from their consumption of financial news and these will be central to the way in which they negotiate what they see, hear and read in the media. However it cannot be assumed that audience profiling on the basis of financial behaviours, as above, are coherent with financial news consumption habits; the City insider may well have just as much interest in the drama and entertainment of personality-led stories as people with no such personal interest. Audiences use and approach different news brands in specific ways across different media, and a key aspect of this, as this paper has demonstrated, are the assessments of credibility and trustworthiness which have become increasingly complex in the digital world. Faced with a bombardment of media messages, accessible on a 24 hour basis, the question of why certain sources are thought to be of value whilst others are rejected, is ever more difficult to answer.
The relationship between information sources, knowledge and expertise, and confidence in the ability to act (or not) when it comes to household and individual financial behaviours is an interesting area for exploration. As discussed earlier in this paper, volume of information is not directly nor exclusively related to knowledge and/or engagement in recommended financial behaviours. Factors such as the belief in the financial system as fundamentally unknowable, in spite of knowledge of rational behaviour, play a role in shaping decisions. The historic low level of trust in bankers, so strongly bound up with the public’s perceptions of the finance industry, are a critical factor in the current environment and research has shown that lack of trust in public figures is strongly implicated in disengagement with social issues [Philo and Happer 2013]. Any examination of financial behaviours must therefore include consideration of levels of experience, levels of trust in public figures generally, and ideological preferences prior to consumption of new information. Information can provide the final motivating factor in the decision to act or not [Philo and Happer 2013], but only if it can be absorbed into existing belief systems and the structural conditions that make it possible.

The central argument is that the media have been instrumental in shaping – and limiting – the possibilities in terms of policy moves and the behavioural trends that may be directed by them. That information can and does make a difference is therefore a founding assumption, and it is here that the potential for a challenge to the existing order must lie. The communicative relationship between the corporate world, politicians and the media has become too dominated by the influence of the former. The financial crisis exposed the way in which this dominance has been highly damaging at the level of society, and yet the system operated to marginalise the critical analysis required to take a different path in response to it. But ultimately the media is accountable to audiences who are directly experiencing those damaging effects, and resistance at the level of individuals is likely to drive public debate to which politicians then are obliged to respond – as can be seen with the current debate taking place in the British parliament on ways to control energy pricing.
Whilst the circuit of communications works most effectively systematically to privilege market interests, the dynamism of the model also highlights the potential for public resistance and indeed the inevitability of social change.
APPENDIX:

For over thirty years the purpose of the Glasgow University Media Group, led by Professor Greg Philo, has been to promote the development of new methodologies and substantive research in the area of media and communications. The Media Group consists mostly of researchers and academics based in the Sociology Department of Glasgow University, as well as broadcasters, journalists and others who have collaborated with them. The Media Group has developed techniques to link the analysis of media content with the processes by which audiences receive and interpret messages and these have been widely used by researchers in Britain and abroad. The Group has conducted work in a range of areas including the Israel-Palestine conflict, climate change, perceptions of refugees, human rights and mental illness. Visit http://www.glasgowmediagroup.org/
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Financialisation, Economy, Society and Sustainable Development (FESSUD) is a 10 million euro project largely funded by a near 8 million euro grant from the European Commission under Framework Programme 7 (contract number: 266800). The University of Leeds is the lead co-ordinator for the research project with a budget of over 2 million euros.

THE ABSTRACT OF THE PROJECT IS:
The research programme will integrate diverse levels, methods and disciplinary traditions with the aim of developing a comprehensive policy agenda for changing the role of the financial system to help achieve a future which is sustainable in environmental, social and economic terms. The programme involves an integrated and balanced consortium involving partners from 14 countries that has unsurpassed experience of deploying diverse perspectives both within economics and across disciplines inclusive of economics. The programme is distinctively pluralistic, and aims to forge alliances across the social sciences, so as to understand how finance can better serve economic, social and environmental needs. The central issues addressed are the ways in which the growth and performance of economies in the last 30 years have been dependent on the characteristics of the processes of financialisation; how has financialisation impacted on the achievement of specific economic, social, and environmental objectives?; the nature of the relationship between financialisation and the sustainability of the financial system, economic development and the environment?; the lessons to be drawn from the crisis about the nature and impacts of financialisation?; what are the requisites of a financial system able to support a process of sustainable development, broadly conceived?"
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