

Media fails ECB on safeguarding the Euro?

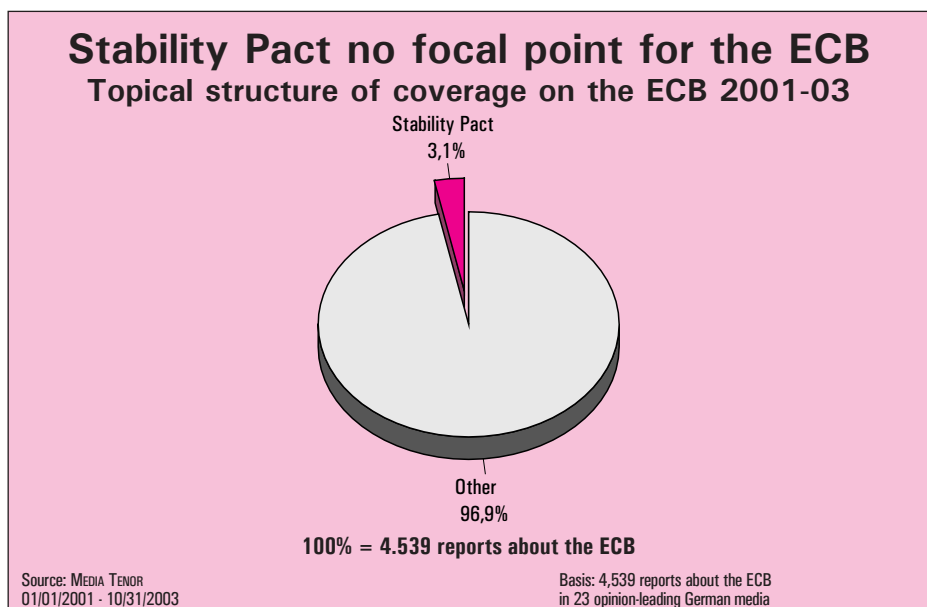
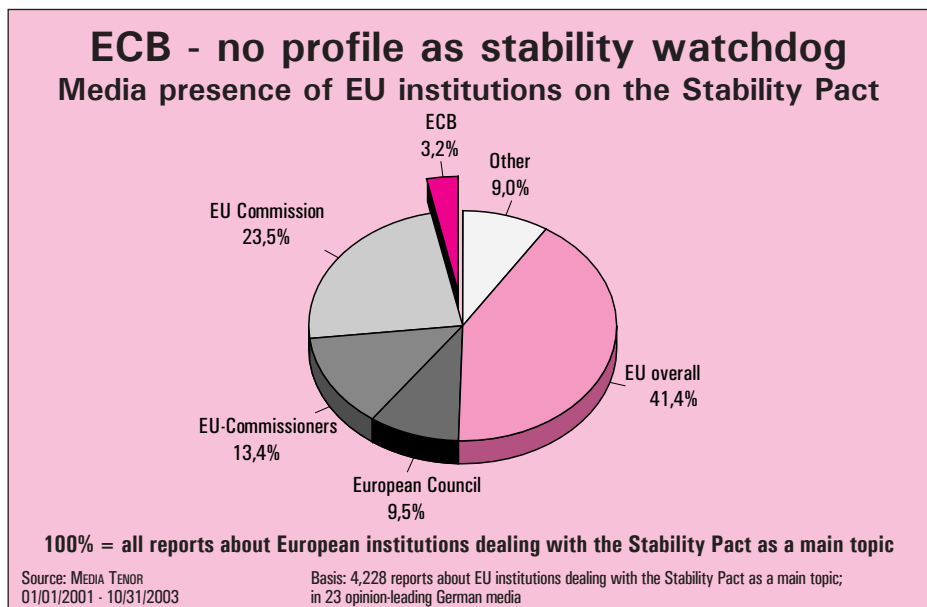
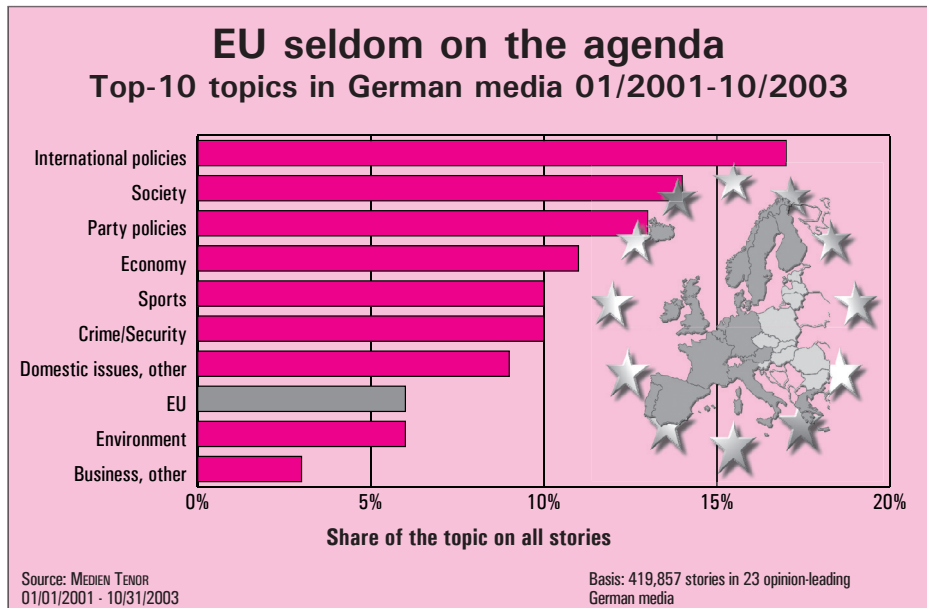
Analysis of coverage on the EU in the opinion leading media 1/2001 till 10/2003

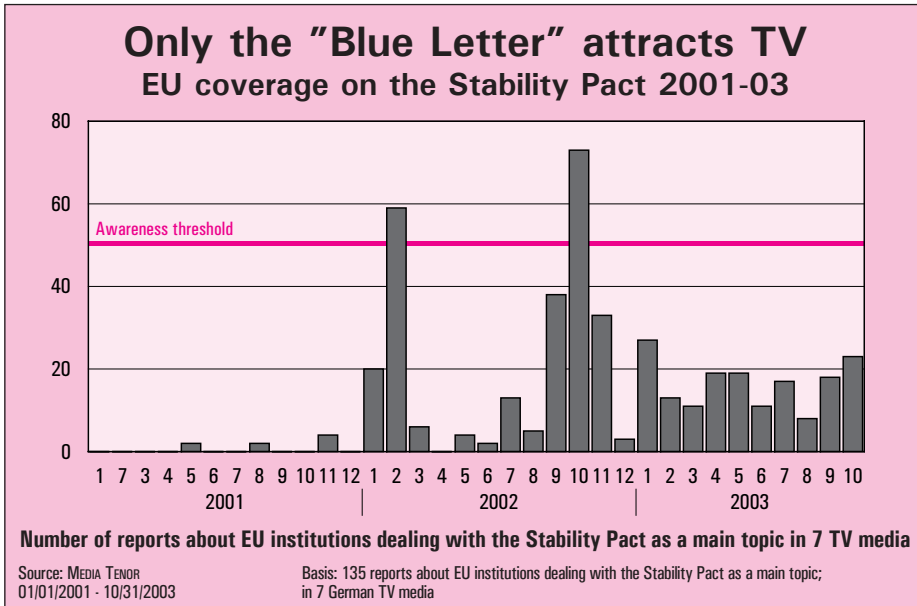
In the 20th century Germans twice had to suffer through the loss of their entire financial wealth by extreme, politically instigated inflation. At first glance, it is therefore surprising that not a single protestor has taken to the streets after France and Germany broke the Stability Pact, which was intended to preserve the integrity of the Euro. The analysis of 419,857 news pieces in the German media between January 2001 and October 2003 shows, however, that Europe does not receive the level of attention that it should, judging by its real importance to people's lives. After all, experts estimate that the EU already frames 30 to 70% of day-to-day German law. When the media covered the Growth and Stability Pact in the last three years, they focused on the EU commission sending 'Blue Letters' (official warnings to countries breaching the terms of the Pact). At the same time, the European Central Bank, as an independent institution, has not caught the attention of journalists on the topic of the Stability Pact.

The EU as a minor player

For all member countries, the European Union is of immediate importance. Its Common Law differs from international law in two ways: Firstly, a directive applies immediately across the EU and alters the legal and bureaucratic framework of the member states. Secondly, the Common Law preempts national law. The analysis on what it actually means to integrate and put such directives into practice, however, is reduced to incidents such as quarrels on the purity of national beer. All in all, the EU only plays a minor role in the leading German media (see graph above). The share of the EU as the main topic in the news and business sections between January 2001 and October 2003 did not exceed 6%.

Before Germany had merged its currency into the Euro, the Bundesbank (Federal Central Bank) used to raise its voice in concern when politicians, eyeing for short-term election success, increased spending. Fearing the purported inflationary culture of its Latin neighbors, Germany had pressed for including a tight, budgetary straightjacket into the treaties for introduction of the Common Currency: The fiscal deficit was not to exceed a maximum of 3% of GDP. But in the past few years it became obvious that, in practice, Germany itself had the hardest time with the limit it set.





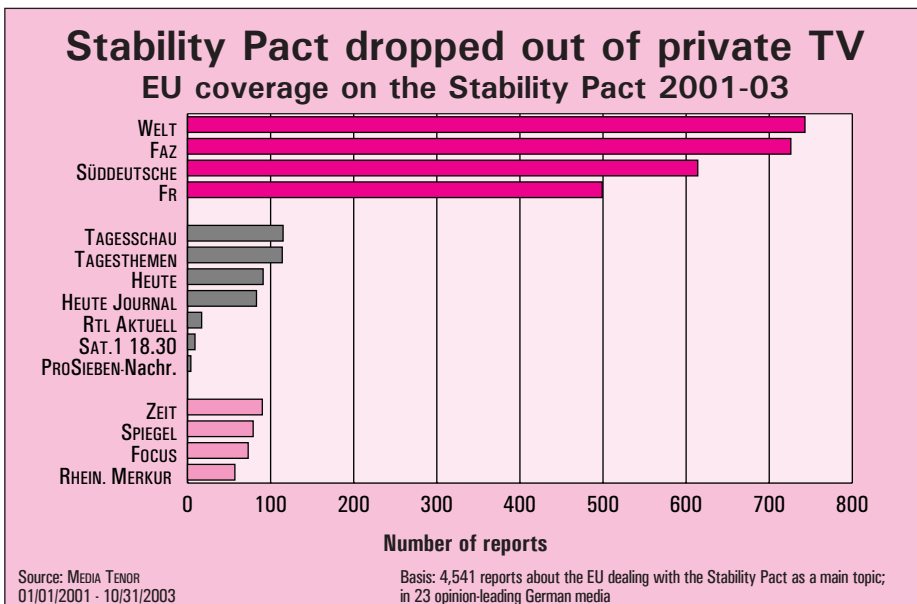
The voice of caution is barely a whisper

Meanwhile the ECB has not appeared as a guardian of the stability pact in the media coverage, although it would have to act to temper the financial consequences of inflation caused by excessive deficits. Only 3% of the 4,228 reports on the EU and its institutions analyzed, which focused on the stability pact, referred to the Bundesbank's successor, the ECB (see middle graph on the left page). The heart of the reporting on this topic dealt with the EU in general or with the EU commission and its members. Historical experience, however, suggests that the commitment of politicians to currency stability is generally questionable. For purposes of reelection alone, politicians

prefer a more flexible attitude towards the budget, even more so because they normally do not have to suffer the long-term consequences of the debt themselves. In the media coverage on the ECB, the Stability Pact was faced with similar neglect. Only 3.1% of the 4,539 reports analyzed focused on the ECB as their primary subject. This is too little for building a reputation as a steward and watchdog.

TV news only on air with 'Blue Letters'

Many journalists see themselves as the 'Forth Estate', as a critical counterweight to democratically elected legislators and the executive. The Stability Pact is a topic of wide-ranging implications, particularly in view of German history. This is why journalists would have to fulfil a special role, both covering the EU in general and questions around currency stability in particular. However, only few media outlets fulfil this role as guardians. Between January 2001 and October 2003, the WELT and the FRANKFURTER ALLGEMEINE ZEITUNG set the Stability Pact on their agenda most frequently. In television news, it only twice surpassed the awareness threshold, a measure that MEDIA TENOR determined empirically, showing at what point the public starts to become aware of a topic. This happened in February 2001 and October 2002. Both times the story was whether or not Germany would receive a 'Blue Letter' from Brussels because of its budget deficit. Throughout the rest of the period, particularly private TV news programs remained silent. Without information the public is not sensitized. But unsensitized, the citizenry will accept the damage to its long-term interests without protest. vb



Basis
Media: BILD, BERLINER ZEITUNG, DIE WELT, FRANKFURTER ALLGEMEINE, FRANKFURTER RUNDSCHAU, SÜDDEUTSCHE ZEITUNG, TAZ; DIE ZEIT, FOCUS, RHEINISCHER MERKUR, SPIEGEL, STERN, BILD AM SONNTAG, FAZ SONNTAGSZEITUNG, WELT AM SONNTAG, ARD TAGESSCHAU and TAGESTHEMEN/BERICHT AUS BERLIN, ZDF HEUTE and HEUTE JOURNAL, BERLIN DIREKT, RTL AKTUELL, SAT.1 18:30, PROSIEBEN NACHRICHTEN
Time: 01/01/2001 - 10/31/2003
Analysis: 419,857 stories with 83,222 reports (at least 5 lines/seconds) about the European Union and European institutions in the politics section and the business section of 23 opinion-leading German media