

Roundtable Presentation

Fractals in Economic Journalism

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“Economists should get to know their journalists.” These words were uttered by an economics reporter in a time when “toxic assets” and “great recession” were yet to materialize in the public imagination (Solman 2004). Louis Uchitelle agrees with the maxim and believes that mutual understanding is crucial if we are to overcome our economic and financial crisis. In a reflective tone, he examines his fellow journalists’ misguided trust in economics, noting those who have “too much respect for economists as scientists” and lack “a constant awareness that economics involves choices, often political and ideological choices.” Mr. Uchitelle sketches for us a binary between economics seen as science and as such unquestionable and authoritative, and economics as a human endeavor, fallible and political. His expectation is that reporting should become more of the latter than the former and guide us through the hard policy choices ahead. The conclusion is hopeful, announcing that “economics writers . . . are not yet aware of the politics and ideology embedded in economics, although the recession is gradually pushing mainstream journalism toward that awareness.”

The politics of economics is a subject that is dear to this congregation and to intellectual historians globally considered. From Thorstein Veblen’s writings on neoclassical economics to Joseph Schumpeter’s discussion

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of ideology and economics, ending in Michel Callon's performativity, there is a multipage menu of alternative accounts on the interface of politics and economics. Journalism that is informed by such literatures would please us all. For this comment, however, I will not add more kindling to Mr. Uchitelle's fire. Instead, I play devil's advocate to probe the meanings and limits of his intended economics as political narrative.

As a reporter at the *New York Times*, the author is well placed to observe the trends in the newspaper industry. There is undoubtedly excitement and greater visibility for economic, business, and financial journalism; however, a new editorial sophistication in economics journalism would have to meet some demanding criteria. The first, and most apparent, criterion is a change in the themes of coverage, including looking under the hood of economics and asking how knowledge is produced and circulated. Although we see superb stories about regulation and the plight of workers and their families, the news stories are hardly adventurous when it comes to economics. John Cassidy (2010) at the *New Yorker* has come closest to meeting such a requirement, but at the core his message is one that is well known and accepted in the neo-Keynesian quarters of the economics profession. He thus takes sides on a (provincial) professional debate and does not provide us with the perspective we need. Second, a transformation of economics journalism calls for a renewal in personnel. My objection is that a cash-drained industry lacks the resources for such an overhaul. The crisis of print journalism today is of a magnitude more formidable than that faced by other businesses. Print journalism faces competition for advertising from the free metro papers, massively distributed in public transport, and increasingly individuals are getting their news from online social media, such as blogs and aggregators, instead of traditional sources. There are new entrants to economics writing: economists are replacing journalists, when they can be paid less and by the piece.¹ However, it is unlikely this new staff will lead an editorial takeover. I know of no economist who has abandoned a faculty post or a company job for a full-time media career. It is media tourism.²

My brief objections on the possibilities of a new economics journalism do not spell a disagreement with Mr. Uchitelle's reading of the choice fac-

1. David Warsh laments the replacement of journalists by economists in writing the *New York Times's* Economic Scene. See the post "New Kids on the Block" at www.economicprincipals.com/issues/2005.11.20/175.html. Accessed 13 August 2010.

2. Paul Krugman is exceptional for becoming a near full-time journalist, but it is significant that he has not abandoned his faculty position or duties.

ing economics reporters: to play cheerleader or to be a grumpy skeptic. I will argue that what Mr. Uchitelle sees from the perspective of the practicing journalist, as a choice, the historian should interpret as a binary characterizing economics journalism at least since 1970. The binary emerges from the ambiguous institutional status of economics writing in business and generalist media.

Sitting between the National and the Science Desk

The late 1970s was a period of wealth and expansion for business writing (Gussow 1984). New magazines appeared, *Money* being the most successful, with a first issue in 1972.³ Increased coverage of the economy tracked anxiously the inflation of the 1970s, the dollar and debt crises, and more optimistically the furor over Wall Street investment siphoning the savings and attention of readers into the 1990s. By 1980 *Business Week* was well established as the cash cow of McGraw-Hill, accounting for half of its operating profits and with a circulation of 770,000; *Forbes* was not far behind at 720,000. To compete for a share of this lucrative market, *Fortune* in 1978 went from a monthly to a biweekly.⁴

It was at Mr. Uchitelle's employer and similar publications that the most remarkable transformation took place. The great metropolitan newspapers witnessed the ascent of the *Wall Street Journal* as it became the first national newspaper, with a circulation of 2 million by the early 1970s. In response they began to expand their business and financial coverage. The *Chicago Tribune* had increases in page coverage of business in 1976, 1978, 1980, and 1981. The *New York Times* added Business Day in 1978, and in 1981 it expanded its Sunday financial section. The *Boston Globe* also increased its coverage in 1980.

Expanded reporting of economic controversies and knowledge producers raised difficult questions. Who should be sent to report? Who should edit the stories? Which sections might host the items? Economics in the 1970s and 1980s had to find a place and a voice in the metropolitan newsrooms. In most publications the first choice was to speak in the dominant

3. On a metric of influence, as opposed to copies sold, *Institutional Investor* (from 1967) may have been more successful. I thank David Warsh for this insight.

4. Business reporting needs economic drama and it does equally well with booms and crises. The generalist business magazines were all fathered in the booming twenties: *Business Week* in 1929, *Fortune* in 1930 but conceived earlier, *Forbes* as early as 1917.

voice of political reporting. This coincided with the canonization of Woodward-Bernstein in journalism schools. At the *New York Times* there was one other alternative: to imagine economics as a science and to follow the model of science reporting. The *Times's* science news supplement (Science Times) has been paradigmatic of science reporting, winning Pulitzer accolades and editorial autonomy (Clark and Illman 2006; Lewenstein 1992). Inhabiting a newsroom where there were two viable and respected cultures of reporting, at the national desk and the science desk, the economics writers at the *Times* were faced with the choice Louis Uchitelle has outlined for us.

During the Watergate period, the focus of journalists was on the “lies of economists,” a brand of politically aware reporting that Mr. Uchitelle finds missing in today’s newsrooms. Even prior to the break-in of 17 June 1972, Nixon and his staff, and Lyndon Johnson earlier still, were subject to accusations of misleading the press on the health of the American economy and the federal budget. Journalists had found the administration to be hiding escalating military expenses in the Vietnam War and dire economic prospects as a consequence. Economists were then implicated as servants of presidential power. The judgment of reporters was split: the more sympathetic to economists saw them as silenced by the president; the not-so-friendly reporter suspected economists of volunteering to do the misleading and the lying. The record shows us that getting behind the biases of economists has been, then as now, a feature of reporting on economics.⁵ These are stories written to compete for the national section of metropolitan newspapers. They are written following the practices of political reporting, seeking a balance of views and opinions as opposed to a single, discrete truth.

Fractals in Journalism

The binary of “economics as politics” and “economics as science” is a useful one. As I noted, it is a mark of the ambiguous status of economics stories in newsrooms. But it can have still another use for the historian as the foundational element in a description of economics writing: within publications, between publications, between publication types.

5. See Silk 1972. His suspicion had faded by 1977 (Silk 1977). A more recent complaint with some kinship is offered by Michael Mandel (2004) when he writes about economists’ false certainties.

Andrew D. Abbott in his *Chaos of Disciplines* (2001) has argued that disciplines have a fractal structure.⁶ At whatever scale one looks, along a temporal axis or through an organizational chart, the same divisions recur. In Abbott's study the fundamental oppositions in disciplinary knowledge are between pure and practical, quantitative and qualitative, to name a few. The same is true for economics writing.⁷ At the *New York Times* one observes a distinction between the stories written for the national desk, which tend to be stories about politics or with a political cast, and those written for the specialist, finance, or business sections, which resemble reporting on science.

Were we to abstract from such internal distinctions and compare economics stories published in the *Times* (joined by other metropolitan newspapers) with those published in magazines, the newspaper stories would look distinctively political, disrespectful or ignorant of scientific authority. The pattern emerging resembles a fractal because the politics/science binary exists not only within publications (such as the *Times*) and between newspapers and magazines but also in comparison across magazines (or newspapers). At this middle scale we might compare *Fortune*, *Business Week*, and *Bloomberg Markets*. While *Fortune* was conceived to narrate and celebrate business and its scientific character, and differs from *Business Week*, which has been more uncompromising and radical, we find the strongest contrast between the older-generation magazines and the publications of the Bloomberg media empire.⁸ Michael Bloomberg is the much-sung hero of a transformation of financial reporting in the 1990s (Bloomberg and Winkler 2001). His insight was not novel: data (price data) have always been "news" since the emergence of the trade papers in the European capitals of the eighteenth and nineteenth centuries. But Bloomberg sold the information at a scale and speed that surpassed age-old competitors. To this core business a magazine, a radio station, and a TV station have been added.⁹ Most recently, *Business Week* has been added to the portfolio and has been undergoing significant change, even

6. I thank Barbara Herrnstein Smith for leading me to fractals.

7. The concept of fractals is promising for the social history of academic disciplines and organizations, as shown in the work of Olivier Godechot (2010) on economic historians at the French EHESS.

8. The distinction may be in danger for the case of *Business Week*, which was bought by Bloomberg LP in 2009.

9. Bloomberg has also become a leader in cable business news. CNBC pioneered the genre in 1989, and five years later came Bloomberg Television. Fox Business Network began in October 2007, and the related Sky News Business a few months later.

though it is difficult to divine the outcome. Catering to an audience of financial and communication firms and embedded in New York City, the economics stories at Bloomberg follow the cues of firm economists. These agents are self-consciously selling to the markets trust in their employer, providing real-time tracking and commentary on the movements of the markets and their threatening regulators. Here there is no place for insinuations of politically tainted knowledge.¹⁰

The binary of economics-as-politics or economics-as-science energizes journalists in their debates within publications and in competition between publications. But its pervasiveness has so far gone unexplained. My insight here is tentative. The answer lies in the context of contemporary intellectual life. A first clue can be gained by conjuring the specter of C. P. Snow and his lecture on the “two cultures.” Snow (1960) noted a growing estrangement in Western academia between the culture of scholars from the humanities and those from the sciences. The divergence (and occasional conflict) between the two worlds of the intellect overlaps with the journalism debates, here reviewed for economics and equally true for the natural sciences and its “science wars.” Humanists value narratives, personal judgment, and drama to interpret the world. The choice of economics-as-politics pays tribute to those values. Writers by training and intuition are of this persuasion. Judging from best-seller lists, readers are too. Yet against both readers and writers is the increasing regard for “scientific” treatments and discussions in our polity and public conversation. Science draped in objectivity and neutrality promises to overcome the balancing of interests and ideologies that has long framed American democracy (Porter 2006). Paradoxically, the evolving politics of our present time is asking journalists for more economics-as-science and less economics-as-politics.

The distinction that Louis Uchitelle outlined for us is real and true. My comment argues that the binary economics-as-politics and economics-as-science has been the pattern of economics writing since the 1970s. Although this is not the occasion to rehearse a full argument, it is my conviction that the vitality of economics writing lies in its fractal structure. The binary creates a rich pattern that satisfies multitudes of readers and matches our changing polity.

10. It offers a much stronger brand of cheerleading. One economist in 1996 claimed that if life in the United States was better in the late twentieth century than in the late nineteenth century, it was because economists were around to help and inform public discussion (Boltz 1996).

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Theme 4
Religion

