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CONTENTS

ARTICLES

IRELAND – FROM NEOLIBERAL CHAMPION TO "THE EYE OF THE STORM"

PASCHAL PRESTON
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Vol.21 (2014), No. 4, pp. 5 - 24

Abstract

Capitalism has proved to be a dynamic, growth-orientated and enormously productive system which has utterly transformed the material standards of life in most regions of Europe over two centuries. It is a mode of production that is not only inherently expansive but also constantly evolving, prompting and demanding incessant changes in technological, organisational and institutional forms, where the only constant is change as "all that is solid melts into air." One consequence is that capitalism is also prone to various forms and types of periodic crisis. Indeed, quite unlike most prior modes of production, economic crises in capitalism arise not from sun-spots or other forces in (first) nature but from multiple tensions or contradictions intrinsic to the system. In this paper, we will be especially attentive to the evolving role of both *financialisation* and *mediatisation* (in particular) with respect to the evolving forms of economic crises and attendant processes of creative destruction, including "austerity" in contemporary capitalism. We examine such issues by taking the Ireland as our case study, a relatively small country on the western periphery which featured in a central, if not leading role in the wider crisis of Eurozone area. We address how a crisis originating in excessive exuberance in the private banking and property sectors, very soon morphed into a crisis of the wider economy and especially one of state funding. This paper also examines how the key moments and features of these recent crises were constructed and reported in major news media.

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Crises and Change as Central to Capitalism

Capitalism has proved to be a dynamic, growth-orientated and enormously productive system which has utterly transformed the material standards of life in most regions of Europe over the past couple of centuries. It is a mode of production that is not only inherently expansive but also constantly evolving, prompting and demanding incessant changes in technological, organisational and institutional forms. In the face of capitalism's self-expansive and dynamic trajectory, the only constant is all round change, "all that is solid melts into air." One of the consequences is that capitalism is also prone to various forms and types of periodic crisis. Indeed, quite unlike the case in most prior modes of production, economic crises in capitalism arise not from sun-spots or other forces in (first) nature but from multiple tensions or contradictions intrinsic to the system (Marx 1867/1972; Schumpeter 1939, 1943/1987; Harvey 2010; 2014).

Despite that singularity however, the precise manifestations, contours and forms of such periodic economic crises can vary greatly across time and space, across economic sectors, and from country to country – as will be explored further in this special issue. Much the same variability applies to the precise set of immediate triggers, tipping points or apparent proximate causes of such periodic crises. Despite that, however, we may also note that the financial sectors have increasingly featured as core sites and triggering factors in economic crises throughout the capitalist world in more recent times (Harvey 2010; 2014).

Much the same variability applies to the precise periodicity and sequencing of economic crises. That said, however, over the history of capitalism it is possible to discern certain particularly deep, cross-sectoral or pervasive [economy-wide] and long-lasting economic crises (Schumpeter 1939; Mandel 1972). One such especially deep and long-lasting crisis was the so-called Great Depression of the late-1920s and 1930s. Another, and of particular concern here, is the "great Western financial crisis" that first emerged throughout 2007–2008 in the core heartlands of the capitalist system (the USA and Western Europe).

Whilst such economic crises may vary in their depth, seriousness, and duration, depth, they are not fatal or terminal but better viewed as intrinsic and "normal" features of the capitalist processes of growth, accumulation and dynamic or all-round change. Indeed, crises are inevitable moments of stress and tension in a complex or "organic" process (Schumpeter 1943/1987, 77). In turn, they prompt further changes or transformations – "the perennial gale of creative destruction" (ibid, 84) – yielding new combinations of innovations and changes or transition points which may result in qualitatively new paths to growth and accumulation. However this should not be seen solely as an economic issue or an idealistic "business cycle" that simply encourages innovation and development; the swings of market capitalism underlined by its need for permanent expansion also conjure up not so "creative destructions" in environmental and human degradation.

Even if successive capitalist crises display certain important commonalities or can be characterised by several common features or phases (e.g. Fornäs 2013), nevertheless their trajectories can be highly varied. The same applies to the precise triggering points of crises, their institutional forms or modes of appearances and enactment or resolution. Thus, given capitalism's inherent orientation towards all-round change and innovation, we can only expect to encounter significant changes in the manifest forms, triggering points, performative processes and institutional tendencies associated with economic crisis and creative destruction processes over time and history (Preston 2001).

In this paper, we will be especially attentive to the evolving role of both *financialisation* and *mediatisation* (in particular) with respect to the evolving forms of economic crises and attendant processes of creative destruction, including "austerity," in contemporary capitalism. We examine such issues by taking the Ireland as our case study, a relatively small country on the western periphery which featured in a central, if not leading role in the wider crisis of Eurozone area. We address how a crisis originating in excessive exuberance in the private banking and property sectors, very soon morphed into a crisis of the wider economy and especially one of state funding. This paper also draws on empirical study to examines how the key moments and features of the economic crisis were constructed and reported in major news media.

Forms and Sources of Economic and Financial Crisis

From Post-colonial Slow-lane, to Boom and Bust

The Republic of Ireland sits on the western edge of the European Union, hosting a population of a little over 4.6 millions. It occupies about 80 percent of the island of Ireland, the other part being occupied by Northern Ireland with a population of 1.8 million. This division of the island is a reminder that much of Ireland's history has been closely bound up with that of its close, but larger, neighbour, Great Britain, a turbulent relationship which may be dated from Norman invasions in the 12th century.

One major moment in modern Irish history comprised the 1916 uprising against British rule amidst the background of the First World War. Although a military failure, this sparked off several years of radical political nationalism, guerrilla warfare and a subsequent civil war. The outcome was the formation of an independent state in 1921, with the (eventual) Republic of Ireland embracing 26 southern counties (whilst six north-eastern counties remained attached to the UK).

But in Ireland, as elsewhere, the experience has been that economic prosperity does not necessarily follow on from political independence. Indeed over the first four decades of political independence, it was very much "business as usual" in terms of trade, economic conditions, welfare policies or social reforms. The 1960s saw the implementation of new state economic development and industrial policy strategies orientated towards encouraging inward investment, upgrading infrastructures and raising educational opportunities and standards. This outward-facing shift in industrial policy strategy also led to Ireland joining the European Union (or the Common Market, as it was then known) in 1974.

The latter, in turn, was particularly important as it yielded up many direct and indirect supports for further economic growth and modernisation, not least in the form of significant transfers of public funds to support the further development of infrastructures, research and educational provision. Membership of the larger "common market" also served to greatly enhance the country's attractiveness as a location for inward investment on the part of (especially USA-based) multinational firms in the then "high-tech" sectors such as electronics, pharmaceuticals and healthcare equipment. The impact of state industrial policy strategy from the 1960s was manifest in the stemming of long-term outward emigration and population decline as the population grew from 2.8 million in 1961 to 3.4 million in 1981.

The economic boom years of the so-called Celtic Tiger (1995–2007) era witnessed particularly rapid economic growth. The Irish economy doubled in size in the 1990s, "achieving the fastest growth in the OECD over that period" (OECD 2006, 10) and it continued to achieve "the highest growth rate in the first half of the 2000s" despite being hit rather severely by the worldwide slump in the information and communication technology (ICT) sector (ibid, 10).

During the global slowdown between 2000 and 2003, one "remarkable feature of this cycle … [was] that even in its worst year, Ireland managed to grow at a rate that would be the envy of many European countries" (ibid, 20). OECD economists noted that there are several reasons why Ireland rode out that particular storm with relative ease. These included the country's "flexible labour market, wage moderation during the downturn and an underlying economic resilience"; furthermore, "there is no doubt either that a well-timed construction boom helped plug the gap nicely" not least because "residential investment alone contributed between 1½ and 2 percent to the growth rate in 2003 and 2004" (ibid, 20).

Indeed, international economic and policy experts, especially those most committed to the neoliberal creed, remained positively bullish about the sustainability ("resilience") of Ireland's model, based on a finance and construction led boom (OECD 2006, 10). However, like many other orthodox economic analysts of the boom years of the Celtic Tiger (1995–2007), these OECD economists failed to see that it would all come to an abrupt and painful end in the summer of 2008 with the melt down of the Irish banking system.

The Political Landscape: A Brief Sketch of the Political System in Ireland

For most of the period since the establishment of the Irish Free State (or Saorstát Éireann) in 1922, the formal political system has been dominated by two major political parties: Fine Gael and Fianna Fail. These two parties, which have generally accounted for between 60 to 80 percent of the votes cast at successive elections to the Dáil (parliament), can be best described as occupying conservative centre-right or Christian democratic political spaces when considered in general European terms. The fact that the state depended on the church to run much of its social services (as had the British state before) put the Catholic institutions in a strong position (Garvin 2005). The alliance of church and the new Irish catholic land owning farming class which came to power in post-civil war Ireland would be "catholic, agrarian, and conservative" (Inglis 1998, 117).

The Irish Labour Party has also been a persistent, if much more minor, presence on the Irish political scene over the past 90 years, generally garnering in the region of 10 to 20 percent of the popular vote (and often playing the role of junior partner in several coalition governments with one of the two major parties). Amidst the conservative stability set by the two major parties, the past 90 years has also seen the rise and fall of a number of smaller parties and a fluctuating number of "independent" members of the elected parliament (the Dáil).

For most of the boom years, 1997 to 2007, Fianna Fail was the dominant party in government and it commanded the all-important role of Taoiseach (Prime Minister). It was also the lead party in the government that presided over the emergent stages of the financial crisis that soon (and, inevitably) followed the blanket state guarantee to private banking and financial interests in late 2008. The latter move virtually bankrupted the state and eroded any semblance of liberal-democratic sovereignty in public policy.

During the first general election following the crash of the banking and property sectors, held in February 2011, the Fianna Fail vote collapsed (to a record low of 17 percent) as voters vented their extreme displeasure, if not anger, at the government that presided over the emergent stages of the financial crisis and the blanket state guarantee to private banking and financial interests. Fine Gael won some 36.1 percent of the electoral vote and it went on to form a coalition government with the Labour Party which had won an unusually high, 19.5 percent, share of the popular vote.

First Appearances: From Financial to Fiscal Crisis

In global terms, the current economic crisis may have originated and first emerged in the USA where it centred around two key sets of events during the spring and summer of 2008 – in both of which the fashion for sub-prime mortgages and other innovative financial "products" during the bubble years featured prominently (Lapavistas 2013, 285–286; Harvey 2010; 2013). The first key event centred round the collapse of Bear Stearns in March of 2008 and the second, some 5–6 months later, witnessed the bankruptcy of Lehman Brothers investment bank and the emergence of massive mortgage related difficulties in two major government sponsored enterprises ("Fannie Mae" and "Freddie Mac").

The economic crisis that had been triggered by the reckless exposure of banks to a property bubble in the USA soon spread its recessionary impacts to other sectors of the economy as well as to public finances (Harvey 2010; 2013; Lapavistas 2013). In addition, of course, the crisis also became manifest very soon afterwards in closely inter-related banking systems, especially within the trans-Atlantic heartland of financial capitalism and in the periphery of the Eurozone area. Indeed, it soon became apparent that "financialization had given rise to a systemic crisis capable of disrupting the monetary and financial components of capitalist accumulation across the world" (ibid, 288).

In Ireland during the 2000–2007 "bubble" period, many private developers and investors had climbed aboard the train of relatively cheap and plentiful credit supply in the Eurozone setting to generate a property bubble (centred on offices, hotels, housing). In the process, their actions set about inflating house prices while at the same time creating what was ever more clearly becoming an oversupply by the year 2008.

Thus in Ireland, as elsewhere, a classic capitalist crisis of overproduction ensued towards the end of the 2000–2008 "bubble" period. This was the core underlying dynamic which led to the initial manifestations of the "great Western financial crisis" in Ireland by the summer of 2008: a calamitous collapse of the Irish banking sector and the concurrent implosion of the boom-inflated construction sector and a massive crash in housing prices (Silke 2014).

The word "calamitous" is very appropriate here because when considered in relation to the size of the economy, the scale and subsequent cost of the collapse of the banking sector in the Republic of Ireland was one of the largest, if not the largest, in modern history.

But, as we will see below, within a very short time, what originated and emerged as a financial crisis (a collapse of the private banking sector) was very soon to be re-labelled and re-framed as a fiscal crisis, a crisis of "excessive" public debt. In a radically generous gesture, the state stepped in to provide a massive public subsidy to private sector banking organisations (which are deemed "too big to fail") and in the process, it all but bankrupts the public purse.

As elsewhere, the Irish state was called upon to inject capital into private banks, a "bail-out" by public funds because at that time, private sources of capital "would hardly have been forthcoming in view of the pervasive doubts about the solvency of the banks" (Lapavistas 2013, 286).

Crises as Political and Economic Processes: Manifestations, and Impacts

Finance, Property and Housing – Key Sites of Economic Crisis in Ireland

As noted above, state agencies and policies in Ireland were actively engaged in facilitating the processes of increasing financialisation that have formed such a key and prominent feature of capitalist development, globally, in recent decades.

The neo-liberal ("market-led") approach to governance (Harvey 2005) that accompanied deepening financialisation also went well beyond banking and financial regulation (Kitchin et al 2010, 2). Geographers and others identified a shift in Irish planning policies from the 1980s onwards from a managerial approach designed to facilitate modernisation to a results orientated entrepreneurial approach that amounted to a *laissez-faire* approach to planning. The planning of towns and cities was left to the markets with little or no regard to demographic demand, long term market conditions or sustainability (Silke 2014). The results was large number of one-off housing, urban sprawl and suburbanisation (Kitchin et al 2010, 40).

As noted, the late industrialisation strategy pursued by the Irish state was centred around the enticing of foreign direct investment rather than the development of indigenous industry. From the 1980s especially, this model of development favoured the service economy and the various sections of the property industry which became, during most of the "Celtic Tiger" boom years, the primary indigenous investment and speculative activity in the state. The process led to a skewed domestic economy and the development of a massive asset price bubble in property.

This had very serious repercussions for many Irish people as buying a property on the private market had become the only way to secure a home for most people, especially due to the near elimination of social housing supply by the state and the Dickensian conditions in the private rental market. This was reflected in ideological norms or prevailing "common sense" whereby rental was considered "dead money" or merely "paying someone else's mortgage" and social housing had been long stigmatised by the ghettoisation brought about by poor state policies in 1980's (McCabe 2013). Added to this in the later part of the Celtic Tiger years, there was a pervasive discursive pressure to "get on the property ladder" at all costs before prices rose yet again (Silke 2014, 9).

Major property developers and their partners in banking and finance were frequently lionised as the great new entrepreneurs at the heart of the Irish economic miracle. Throughout this period, however, literally billions of Euros were being borrowed by both property developers and Irish banks to fuel the bubble – billions of euros that would soon come back to haunt the Irish state and its citizens.

The appearance of crisis, and the intensity of its attendant creative destruction, came as a veritable "shock" to most citizens and workers as well as to most (apparently expert) observers of the Irish setting. As noted, for most of the previous decade, the Republic of Ireland (hereafter, "Ireland") had been hailed as the "Celtic Tiger" and elevated to a status akin to a celebrity or star performer in economic terms (e.g. OECD, 2006).

But beneath its glossy, celebrity image, much of the apparent growth in the Irish economy between the years 2000 and 2007, and in contrast to the late 1990s period, was highly dependent on a massive expansion of the old-fashioned construction and property sectors facilitated by an equally massive surge in lending by the Irish banking sector. This explosion in bank lending was not only facilitated by new found access to relatively cheap sources of credit thanks to the formation of the Eurozone region, but also by other state policies.

This phase of "easy," indeed reckless, bank lending in the USA and much of the EU area was prompted by the relaxation, throughout most of the core capitalist world, of an array of policies and regulations previously in place to mark or encourage more prudent bank lending and credit practices (including standards of prudence dating back to the Great Depression of the 1930s).

As so often with financial bubbles (and Ponzi-like schemes as the Irish property market had come to resemble) the bull market proved to be fictitious and eventually in 2007 property prices began to dip. Following the so called "credit crunch" on both sides of the Atlantic, the residential and commercial property markets collapsed entirely uncovering huge holes in banking balance sheets, none more so than the Irish finance sector's poster boy for "entrepreneurship" and "innovation," Anglo Irish Bank. However unlike most other Ponzi schemes, this crash brought down a whole generation of home buyers, the Irish economy, hundreds of thousands of jobs and the living standards of most of the populace (Silke 2014, 9–14).

Ireland's Crisis Reframed: Fiscal Crisis, Selective "Bail-outs" and Austerity

Over the spring and summer months of 2008 banking shares in Ireland, as elsewhere, suffered catastrophic drops in market value and general confidence in the health of banks plunged – despite many robust public pronouncements by bankers and regulators to the effect that the "fundamentals were sound" and that the major problems comprised mere liquidity jams.

As the pressures on the Irish banks accelerated, an emergency meeting was arranged between the government and the major banks on the 29th of September 2008. Both the Taoiseach (Prime Minister) and Minister for Finance were present at this meeting which eventually resulted in the most important and costly policy decision ever in the history of the state. Furthermore, no minutes were taken at the meeting and exactly what happened, as well as the precise why (rationale or reasoning) or how this was arrived at, remain issues of major concern and controversy. The catastrophic scale and outcome of the key decision for the Irish public became clear, however, when at 6.45am on the 30th of September, the Department of Finance issued a press release on the most significant press policy decision in the history of the state.

The government department responsible advanced the following bland rationale for a decision that was to prove so costly and fateful for most citizens and workers: "This very important initiative by the Government is designed to safeguard the Irish financial system and to remedy a serious disturbance in the economy caused by the recent turmoil in the international financial markets" (Department of Finance 2008).

Brian Cowen, the Taoiseach at the time, subsequently declared that he was only following orders when he made the catastrophic decision to guarantee all the debts of the Irish banks. He argued that there had been a consistent Euro-area policy to the effect of "No bank failures and no burning of senior bank creditors" and that as a member of the Eurozone, "Ireland must play by the rules" (cited in O'Toole 2012, 9). But for many critics, there were no such strict "rules" or orders to do such a thing, rather the Irish government meekly complied and merely did exactly as was requested by ECB officials (O'Toole 2012, 9–10). In fact some commentators maintain that this was a purely Irish "innovation" more concerned with bailing out its own rather than international elites.

It now seems clear, however, that the two Irish ministers directly involved in this decision to socialise massive private bank debts had been subject at that time to intense lobbying and persuasive pressures from banking, policy and regulatory circles in the USA and especially in the EU area, including top regulatory officials in the ECB and related banking policy elites based in Europe. At its most benign, this lobbying probably reflected the then pervasive concerns about the potential knock-on effects of any refusal or inability to fully pay bondholders or other debts that may be owed to their own (larger but then highly vulnerable) local banks, whether based in the USA, Germany, France, Italy or elsewhere.

It is also noteworthy that no formal cabinet meeting was called to collectively consider and deliberate the merits of this most costly policy decision, even though this process is required for such major decisions in accordance with the Irish Constitution (O'Toole 2012). Furthermore, "at no point did the Irish parliament ever debate, let alone accede to, the idea of a legal requirement to nationalise private debt" in this fashion, and especially to such a calamitous scale and effect (O'Toole 2012, 9).

In a short time, this decision to nationalise and socialise the private debts generated by a banking system that had been hooked on the extreme end of "irrational exuberance" was to effectively throw the public purse and the Irish state to the edge of bankruptcy. Even though the Irish state had maintained a positive public sector balance sheet over several prior years of the boom, this particularly disastrous government decision was made "at the cost of destroying its own public finances" and losing its capacity to borrow on international markets (O'Toole 2012, 9). The bank guarantee as well as the direct cash injections to the broken banking system ensured that the Irish public debt to GDP ratios would exceed 100 percent for several years after 2010, turning a banking crisis into a fiscal crisis.

The direct costs of the decision to socialise those private-sector bank debts and liabilities amounted to approximately one third of the country's GDP in 2008. These costs, and the attendant austerity policies, in turn sucked further life out of the economy as, for example, GDP fell from 190 Billion Euro in 2007 to 180 billion in 2008 to 162 billion in 2009. Falling GDP in turn served to further reduce the tax and other income flows to the state coffers. In late 2008, the OECD observed that the downturn in the Irish economy over the years 2007 and 2008 has been the most severe of any experienced by its member states, with the possible exception of Iceland. In Ireland, GDP declined from a growth rate of 6 percent in 2007 to – 1.8 percent in 2008, a drop of almost eight percentage points in just two years' (Sweeney 2008).

Before long, a reluctant Irish government was forced to bite the bullet in terms addressing the inevitable consequences of its decision to socialise the private debts of the banking sector. Having brought the state to the edge of bankruptcy, it had little alternative but to formally approach the Troika (comprising the ECB, EC and IMF) for emergency financial assistance. Such a move was heavily freighted, not only with respect to practical policy considerations, but also in symbolic terms as well (O'Toole 2012, 9).

Indeed, in finalising the "bailout" negotiations, The Troika as well as Irish government public relations operatives/ spokespersons all agreed on one key message to repair some of the legitimacy and reputational damage caused by the resort to such a process. The agreed frame emphasised that the programme and all its key components was designed by the Irish government to repair the Irish economy and that it would be implemented by the Irish government (Loughnane 2014, 24).

We also note that the financial markets, much like the ECB, were not inclined or interested to note that almost half of the seemingly high levels government debt in 2012–13 period was directly due to the costs of state efforts to clean up the mess created by the oligopolistic financial market and the costs of its "bail out" the broken private-sector banking system (Ó'Riain 2014, 249).

Before long, however, the mainstream Irish media were eagerly working to reframe the problem from a banking crisis into a fiscal crisis and specifically putting the blame ona "bloated" public sector workforce (Cawley 2012) thus discursively paving the way for severe austerity policies.

Key Impacts of the Crisis for the Major Political Parties in Ireland

In the months following the bank guarantee in September 2008, public support for the incumbent, Fianna Fail-led government began to steadily erode, especially as its strategy required further direct injections of public funds to the broken banking system and the economy entered a deep recession.

Matters only got worse for the incumbent government as it established the National Asset Management Agency (NAMA) in 2009. The latter was designed as a mega "bad bank" to take on damaged loans from the banks with a nominal value of some 90 billion Euros but subject to a "haircut" valuation of some 58 percent. In the face of worsening conditions in first half of 2010, the government felt compelled to take direct stakes in the country's two major high-street banks. In December 2010, the government had to step in and take a 93 percent stake in Allied Irish Bank, resulting in its effective nationalisation, neoliberal style (in all but name). Further stress tests on Irish banks in 2011 indicated that additional billions of funding may be required (Ó'Riain 2014, 244–247).

In the face of such an extraordinary series of events and glaring indicators of the rising economic costs of the financial sector's collapse, it was not surprising that public trust and confidence in the incumbent government was also collapsing as each fateful month went by. Indeed, it reached historical lows in late 2010 when it became known that the government had formally applied to the so-called Troika (ECB/EU/IMF) for an 85 billion loans programme.

As the incumbent government recognised the extent of its collapse, elections were called for the early months of 2011. During the election campaign many promises of radical political reform and change were heard. However, the elections in March 2011 led to the formation of a government led by the Fine Gael party in a coalition with the Labour party as junior partner and they also resulted in an unusually high number of independent and socialist or left-leaning TDs (members of parliament), but the remained a parliamentary minority.

In practice the new government pursued an essentially "business as usual" strategy with respect to the key austerity targets set out by the Troika for the outgoing government. Any citizens who had expected any semblance of radical shifts in political content or form were to be sorely disappointed, at least to date.

The Irish banking and property crash has had massive, and continuing, consequences that go beyond most other Ponzi schemes. It has severely impacted on a whole generation of home buyers or renters, hundreds of thousands of jobs and directly reduced the living standards of most of the populace (Silke 2014)

Even as we write this, in the fall of 2014,a major housing crisis persists even as it changes some of its forms and manifestations. Hundreds of thousands of people continue to be unable to pay mortgages with many still trapped in negative equity. In recent months a rental crisis has also become evident in Dublin due to a lack of new private or public investment since the crisis broke in 2007. This has seen apartment rentals increasing by 10 percent on average and in some cases rent hikes of up to 40 percent are now being reported (Silke 2014, 9–14). Some six years after the crisis broke, the capital city, Dublin, is now witnessing an unprecedented wave of evictions of individuals and families who are unable to pay, and we are witnessing what has been termed a "tsunami of homelessness" amongst families as well as single people (*Irish Times*, 18 May 2014). There was a 14 percent rise in rents in Dublin between 2013 and 2014 as the number of properties available to rent had declined – more evidence, if needed, of the problems of leaving housing to market forces.

Meanwhile media reporting tends to reflect and favour landlord and other powerful interests who are opposed to the introduction of rent control on the grounds that it would prove a disincentive to the market. This sentiment very much epitomises the recurring, indeed pervasive, perspective in the mainstream Irish media – the framing of housing as a commodity as will be noted later in this paper (Silke 2014).

How News Media Construct and Represent the Crisis – Causes, Meanings and Solutions to the Crisis?

Financialisation and *Mediatisation* as Key Aspects of Contemporary Capitalism

In this part of the paper we seek to move beyond the more typical concerns of communication scholars with media representations and discourse to explore whether and how the media of public communication have now become active agents or contributory forces involved in processes central to the formation and resolution of financial and economic "crises" in the contemporary setting. If the evolutionary path of capitalist development in recent decades has been marked by deepening or amplified *financialisation* (Harvey 1990; 2010; 2013; Lapavistas 2013, 285–286), it also seems to be increasingly important to explore aspects of whether and how the expanding role and changing forms of mediated communication (or the onward march of *mediatisation*) also constitute an increasingly important element or feature in the processes of crisis formation, creative destruction and austerity in the contemporary period.

Thus here we adopt the view that communication is an integral and reflexive part of the contemporary market system (Thompson 2014). Indeed, as Hope suggests, information distributed by bankers, stockbrokers and traders themselves through mediated communication may tend to be self-serving, but inevitably it leads to "a real time feedback loop that proliferates" and contributes to the growth and collapse of speculative bubbles (Hope 2010, 665). Finally, we observe how the mainstream media also play a pervasive and important role in the overall commodification process, not least through advertising which may also be considered part of the circulation of capital (Garnham 1979, 132).

To this end, this section also draws on selected aspects of a recently completed empirical study which performed a detailed and critical analysis of how two major broadsheet newspapers in Ireland treated key political and economic issues around the property crisis and its aftermath (Silke 2014).

How News Media Construct and Represent Economic and Crisis Processes

We observe that the Irish media sphere has played a pervasive and important role in the construction of frames relating to both economic and political developments throughout the crisis and these ideological constructions amount to inherently political acts, whether conscious of not. For example, the mainstream news media have framed the public agenda and questions related to the sources of the crisis, who (if anyone) to blame for the crisis and most importantly the range and type of policy parameters deemed legitimate, viable or practical in dealing with the crisis. Thus, the approach adopted here is also attentive certain common features and broad trends evident in the mainstream Irish news media's reaction to the crisis, especially its silences and its treatment of actual and potential state policies in the aftermath of the banking and property crash (Silke, 2014).

During the 2001–2007 period buying a property on the private market had become the only way to secure a home for many Irish people. This arose especially because neoliberal policies, Irish-style, witnessed the near elimination of social housing supply and the private rental market was marked by near-Dickensian conditions. This situation was accompanied by ideological norms and a prevailing "common sense" whereby rental was considered "dead money" and social housing had been largely stigmatised as equivalent to ghettoisation ever since the 1980's (McCabe 2013; Silke 2014).

In this setting we also observed a certain element of shaming or denigration of those who were not willing to climb the ladder of property ownership, a process in which the media were far from neutral. The national broadcaster, RTE, ran two seasons of a television series entitled "I'm an adult get me out of here" where an estate agent turned TV presenter "helped" people out of their family homes and onto the private market at any cost (Independent Pictures/RTE 2007). The print media profited greatly from advertising revenue in their bulky but uncritical property supplements and both Independent News and Media (INM) and the Irish Times made massive investments into property listing websites (Silke 2014).

Since the outbreak of the crisis, the key state policies served to effectively nationalise (or socialise) the losses of the property and banking collapse thus negating the idealistic belief of neo-liberalism that governments should not interfere in the market. On the face of it, this accords closely to David Harvey's (2005) assertion that neo-liberalism comprises a fig leaf for class appropriation and power. In addition, the immediate and most heated debate in the Irish media after the collapse of the banks, the recession in the economy and the socialisation of bank-related debt was not focused on private markets, banks or neo-liberalism – a term almost extinct from Irish media vocabulary. Rather we have observed an outright and sustained attack on the public sector and on public sector workers – one which was expressed across all strands of the media (Silke 2014)

At the same time the explicit media attacks and blame game directed at public services was accompanied by significant silences on other relevant matters. Indeed, it is remarkable (especially in light of the scale of the collapse of the markets and the obvious failure of the assumptions of market self-regulation) that the key structures and ideologies of the Irish economy were not deemed priority topics for examination and discussion by the media. Even more striking was the manner in which the media discourse effectively turned the blame for the massive failure of the private market speculators and operators on to nurses, firemen and other public sector workers.

These and other initial observations combine to suggest the need for a deeper understanding of media practices and representations than simple propaganda or overly deterministic issues of ownership. Rather they prompt investigation of the evolving role of mediated communication in market systems and specifically with respect to financial and economic crises settings, including the normalisation of market forces in society and the defence of class interests in crises (Silke 2014, 10–12).

An Empirical Study of Irish News Media in Relation to Economic and Crisis Processes

The empirical research informing this paper comprised a detailed, critical analysis of the treatment of key political and economic issues around the property crisis and its aftermath in the *Irish Times* and *Irish Independent*, the two most important broadsheet papers in the Republic of Ireland. These were selected for close study in order to examine, identify and reflect salient issues around the role and character of the mainstream media (and specifically the press) in contemporary market systems and economic crises (Silke 2014, 11–16).

This empirical study centred around four core research questions and focused three key time periods. The latter comprise: (1) how the property market was understood and framed over the period 1–24 May 2007, a period covering a general election and a year which marked the cusp of the crisis; (2) the blanket bank guarantee in 2008; thirdly, (3) the themes and frames surrounding the creation and role of the National Asset Management Agency (NAMA) in 2009.

The first research question centred on the discourse of the economy and property markets, exploring how the newspapers framed the key issues of political economy and political policy in the time period under question. This question includes issues of critique, reification and dominant conceptions of property and housing itself. The second major question concerns how the role of the state is defined and/or framed by the selected newspapers (for example: is it a neo-liberal conception of the state as no more than a guarantor of markets or a more pluralistic notion of the state as a democratic embodiment of the various sections within it?). The third core question considers what significant silences may be apparent in the coverage while the fourth question investigates who and what sources are used by the newspapers in the coverage of issues around the crisis.

Key Themes and Tropes in Framing of the Economic Crisis by the Two Newspapers

Here we address some key themes and tropes in the Irish news media's framing of the origins, features and fixes for the economic crisis, drawing selectively from the detailed empirical study of two major newspapers.

Framing the Market and Political Economy of the Current Crisis?

The empirical study shows that the selected media have displayed an overall trend towards privileging the "market orientated frame" throughout the period under study. Indeed, this has remained the case despite the manifest experience of increasingly severe recessionary pressures throughout the three successive periods covered by this study (Silke 2014).

For example, amongst the 856 newspaper articles examined for May 2007, the overwhelming majority place the question of housing in a market orientated frame, privileging exchange value over use value and ignoring the implications in terms of wider societal considerations (Silke 2014, 278–284).

Within the large corpus of newspaper articles dealing with housing matters in May 2007 the study found no criticism of rising house prices in the property sections, and little or none in the Finance, Opinion or News sections. Rather constantly rising prices were deemed as universally good and beneficial whilst at the same time, spiralling rents were either ignored or welcomed as a universal good, with few exceptions. Thus, the crucial issues and conflicts surrounding private residential rents were rarely reported and when they were, they were generally only viewed from the point of view of short-term rental yields. Indeed, only one critical article from the point of view of renters was found. In general then, the relatively high levels of inflation in housing prices, both in terms of purchase or rental costs, tended to be welcomed, if not celebrated, in the sampled media (Silke 2014, 278-284). This amounts to a rather exceptional tolerance (or welcoming) of high levels of price inflation that is very unlikely to be encountered in the coverage of other sectors.

In the newspaper coverage examined here, there is a striking silence around the issues of class related differences or inequalities. Indeed, private rental tenants are almost invisible from the media treatment, only appearing in one critical article. In other articles, tenants are seen as a commodity or in some cases a burden on "hard working" landlords. The unequal power relations between the tenant and landlord are completely absent with the newspapers framing the issue of rent solely in terms of rental yields.

In the run up to the May 2007 general election, the articles which framed and discussed housing in wider societal terms tended to come from reports on political manifestos rather than originating through news reportage itself. The issue of affordability (or lack of affordability) could be drawn by the parties' manifestos rather than reportage in the papers. Even within the reportage of manifestos, the framing was often confined to market considerations rather than the wider societal effects.

In September/October 2008 the bank guarantee received generally positive coverage with the vast majority of articles (69 percent) being generally positive towards the policy or supporting it from a TINA (there is no alternative) frame, the policy was seen as an "innovative" solution to solvent banks having trouble getting funding on the money markets due to the "credit crunch" (in one fifth of articles), though another fifth recognised the deeper problems within the sector, however the majority of these articles still saw no alternative to the guarantee. Interestingly in a clear market orientated (rather than national or citizen based) frame the key controversy in almost one quarter of articles was not the bailing out of private banks but rather would the guarantee be unfair competition against foreign banks operating in the state.

In the treatment of the introduction of NAMA in 2009 well over twice as many of the articles were positive as compared to negative. *The Irish Independent* had a higher level of positive treatment with 53 percent of articles treating NAMA positively and 16 percent and 31 percent treating NAMA negatively and neutrally respectively, whereas the *Irish Times* has a ratio of 2 positive to 1 negative.

It should be noted that, with respect to this study, a market orientated frame has a number of qualities related to the privileging of exchange value over use value. This was most manifest in the coverage of housing, where housing was almost exclusively framed as a commodity and in market terms (Silke 2014, 282–283).

Despite the source of the crisis originating in excess and then collapse of the private-sector banking and property markets, we observe that the Irish news media largely remained wedded to the over-riding assumption that the market provides the optimal or only way to supply societal needs such as housing and banking. In the case of NAMA there was some opposition on the policy including a counter proposal to nationalise the banks however this was clearly defined and framed as a temporary or emergency clean-up operation only, whereupon completion the banks would be quickly re-privatised. There was no serious consideration towards any non-market polices or strategies, and little discussion on the possible developmental role of the NAMA.

Framing the State, Political Economy and Citizen Interests

As regards the question of how newspapers frame the role of the state, the findings indicate an overarching theme of the state acting as a guarantor to the market system, as a regulator (in terms of protecting competition) and in a few cases as an agency to protect the individual consumer. There is less discussion, however, concerning the role of the state in terms of its duties to the citizen.

Besides, we also observe a rather different approach or type of emphasis in the pre- and post-crisis periods. The frame of non-interference in the market is clearer in 2007, when the possibility of a crash was played down by sources and media coverage. In the post-crash setting of 2008 and 2009, however, we observe that state intervention (especially in the form of direct and indirect subsidies to private banking or property sectors, quantitative easing, and the like) had not only become acceptable or tolerated, but often actively called for by special interests or various elites (Silke 2014, 283).

On the cusp of the crisis in 2007 we can observe examples of the neo-liberal trope that state "interference" in the market serves to disrupt its presumed self-regulatory mechanisms. Here, for example, government actions around stamp duty were sometimes blamed as a major source of problems in the property market. In the post crisis period, a more welcoming posture was encountered in the coverage of the blanket bank guarantee, as state intervention was not only called for but widely welcomed in the face of collapsing private sector banks. In the coverage of NAMA some form of state action was deemed valid, but there was discussion on its precise or optimal form. In discussions around the proposed nationalisation of the banks, the discursive frames made clear that this was to be considered as temporary, reluctant and minimalist moves. They referred to the classic neo-liberal frames of market "surveillance" and "discipline" being superior to what is termed political "interference." There was little attempt to question let alone explain either why market discipline failed in the first place or why it should be considered so universally superior to other modes of provision potential democratic accountability.

"Significant Silences" with Regard to the Political Economy of the Crisis

The empirical research identified an array of "significant silences" including those related to: (1) the selection of issues covered; (2) in the selective conceptualisation and framing of the issues that were covered; and (3) in terms of voices heard in the newspapers.

This study also found some glaring absences in terms of conceptual discussions of the nature of market capitalism, or even any critique of the private housing market at either a macro or conceptual level. One of the most glaring comprised a pervasive failure to engage with the well-established historical evidence on the systemic or recurring character of financial and economic crises in market capitalism – not to mention their increasing frequency in recent decades (Harvey 2010).

Moreover as some of the basic neo-liberal assumptions found in the coverage in the pre-crisis period were effectively negated in dramatic fashion, one could reasonably have expected some serious discussions around these issues in the post-crisis period. Two major examples here include the assumption that markets are self-regulating and the normative, idealistic belief that states should not intervene in private market processes (Silke 2014, 283–284).

The absence of journalistic attention to the systemic nature of banking and other forms of capitalist crises may be fruitfully linked to the concept of "fragmented imagination," defined as a consideration of how artificially separated issues show only a partial or fragmented picture and may act to mystify the overall process or situation. As discussed by Hall (1986b) and Jakubowski (1976) this incomplete picture can lead to forms of "false consciousness" mystifying the full implications of as given story to the newspaper readership (Silke 2014, 285).

In addition, our study indicates that the TINA (there is no alternative) frame was prominent in much of the coverage of political policy, especially in the coverage of the bank guarantee and NAMA. The TINA perspective not only takes existing institutional, political and economic arrangements as universal goods and givens, but it also ignores, indeed eliminates consideration of, all other possible political alternatives.

Re-Framing a Banking Crisis as Fiscal – and so Privileging an Austerity Strategy

In light of a key theoretical issue posed in earlier sections of this paper, the findings of our empirical study also enable us to identify how the predominant drift of mainstream news media in Ireland moved early and eagerly to reframe and naturalise an understanding that the crisis was essentially fiscal in character. Almost simultaneous with the blanket guarantee for the banks and their bondholders (implemented in the early fall of 2008) and the direct injections of state finance to shore up the failing banking system, the media discourse begin to frame and define one inevitable *effect* of such a financial crisis as the *essence*, *cause or origin* of the crisis (i.e. framing the decline in state revenue relative to expenditures arising from the recessionary pressures triggered by the crash of the banking system as the essence of the crisis).

In turn, this discursive reframing (of a banking crisis as fiscal crisis) opened up a veritable freeway for the trafficking in ideas, factual and statistical claims, as well as many assumptions and assertions which served to legitimate policies for a highly-selective "austerity" regime favoured by the banking and other economic elites, allied economic analysts and ultra-conservative political actors in Ireland as in the wider heartlands of the capitalist core. In the context of the economic destruction wrought by the banking crisis and the prior decades of neo-liberalism, this austerity regime amounted to a veritable counter-revolution favouring elite interests amidst high levels of unemployment, persistent falls in real incomes of workers and households as well as cutbacks in public health, education and welfare provisions. In the small and peripheral countries such as Ireland (as well as Greece, Portugal, etc.) this austerity amounted to a born-again, turbo-charged form of neoliberalism that has been far from class-neutral in its effects, especially as it has directly attacked long-fought-for forms of workers' rights and social citizenship rights.

Of course the austerity regime ensuing from the reframing of the banking crisis as fiscal crisis also drew its rational from a selective reading of economic history. For example, the EU Commissioner who was most involved in the Troika processes in Ireland as elsewhere, Olli Rehn, frequently cited the so-called 90 percent "rule" as a valid and universal threshold beyond which public debt impedes economic growth. This so-called rule was usually formulated on the basis of the timely, but highly influential work published by economic historians Carmen Reinhart and Kenneth Rogoff. However as a universal metric or standard, this 90 percent threshold has been shown to be very flawed, amounting to more of a convenient fiction rather than some fixed universal based on empirical evidence or historical facts (e.g. Herndon et al, 2014)

Crisis and the Evolving Roles, Structures, Practices of News Media

As noted earlier, empirical and critical studies of the framing, coverage and discursive features of economic and financial crisis in the news media amount to necessary elements, but insufficient of themselves, in any serious attempt to theorise the evolving role of mediatisation as an increasingly important feature of the workings of the contemporary capitalism, alongside financialisation. Ultimately this task requires a multi-layered approach (Preston 2009) that also engages with the changing organisational, institutional, political-economic and ideological dimensions of news media as well as studies of professional journalism practices (Preston 2009).

In our empirical study we observe how the two selected newspapers are themselves ever more closely bound up with the various processes of deepening financialisation (not to mention commodification) in the wider economy setting as well as various forms of concentration, centralisation and multi-platform convergences in the media sector. Both are now part of larger media organisations which possess other "media properties"(e.g. the two dominant portals for house buying and lettings) with a direct interest in expanding the scale and operations of the private housing sector and related property and mortgage sectors. The Irish Independent is owned by a larger organisation (Independent News and Media, INM) that had engaged in its own form of finance-driven expansion into overseas markets. But with new significant shareholder now in place (reputedly the richest living Irishman, but one who may not be a tax resident) INM recently negotiated a write-off of approximately 30 percent of its debt burden. This amounted to a successful the "burning" of its own bondholders and bank creditors, an option that lies beyond the power of many readers of its newspaper, especially those who have been heavily burdened with negative equity mortgages over the past seven years.

Besides, both newspapers have been very severely hit by the far-from "creative" destruction directly wrought on the news media since the financial crisis became manifest in 2007–08, in particular its impacts in dramatically reducing the numbers of news-making professionals with a self-defined orientation towards some form of public service (journalists). Thus, we find in Ireland, as elsewhere, an evolving media landscape that is becoming ever more pervasive in our everyday life as well as in our institutional, including work-related life/affairs. This expanding media landscape may well be marked by a vast and growing array of (technical) media outlets. But we must also note that it is also one populated with a declining number of journalists and related professional news-makers dedicated to some sense of serving "the public," the latter being the "god-term" of the modern western model of professional journalism that emerged a century ago (Preston 2009).

Conclusions

Our empirical research clearly underlines how neo-liberal assumptions, themes and frames are steadily becoming a "common sense" ideology in the mass media, much evidence of this was found within the empirical research of this project, not least an overarching neo-liberal ideology that privileges private market interests over societal issues. Other typical neo-liberal frames were encountered such as "there is no alternative" (TINA), this was especially evident post 2008 in the coverage on the banking guarantee. There was also much coverage of anti-nationalisation tropes, including assumptions (even after the crisis) that banks could only be disciplined and monitored by market activity. Moreover the pieces on bank nationalisation were framed as opposed to nationalisation in "normal circumstances."

In parallel, we also observe significant silences in Irish news media concerning the actual and potential roles of co-operative financial institutions (such as credit unions) as alternative institutions to the oligopolistic banks deemed "too big to fail."

The empirical research observed several issues related to the persistent presence and operation of economic ideology such as the privileging of narrow economic frames over societal considerations. Key observations included: narrow and uncritical sourcing of elite business and class interests, including a source bias towards neo-classical economic commentators (as opposed to Keynesian, Marxist or other alternative models); the role of the advertising and semi-advertising in the property supplements and the leaking of such advertising values into the business and news sections; the reification of markets without critique or consideration of human agency; the proliferation of neo-liberal ideological assumptions such as market self-management; and finally a generally ahistorical coverage blind to the crisis-prone nature of capitalist markets.

The findings of our empirical study also pose certain key considerations related to Gramsci's idea of civil society acting as a bulwark against what he termed the "catastrophic 'incursions' of the immediate economic element" (Gramsci 1971/2003, 235). Here we can see one element of civil society, the press failing to question various structural problems or inequities in society whilst seeming to generally act in support of the established powers, especially the elites within the financial and economic system. This has been clearly manifest both before and after the crash itself (Silke 2014, 290).

In the treatment of housing during the run up to the 2007 elections, we can clearly observe both newspapers acting in a discursive defence of the property market, a market in which both newspapers clearly possessed vested interests. We also observe an overall playing-down of any threat such as a property crash and the widespread privileging of the "soft landing"frame (despite a few exceptions).

This defensive or conservative posture was also manifest in the frame of a reflexive nature that called on commentators and politicians not to "talk down" the economy. The latter frame is also notable for its explicitly "reflexive" character or connotations: not only were the newspapers failing in their normative "watchdog role," they also overtly called on others not to call into question the market. In these respects, the newspapers can be seen to have largely played the "loyal-facilitator" role.

Furthermore, this dominant media tendency towards overly positive framing of the property market and lack of critique almost certainly acted in a dialectical manner to affect the market itself. The lack of critique may have helped to both build and prolong the crisis, even if there were long-term material structural issues at the core of the crisis.

Interestingly the newspapers themselves address this issue though from an idealistic perspective; that is seeing the key factor being the discursive element rather than the material base. Here the discourse in the media and potential state policies themselves are the crucial factor and that the "economic fundamentals are sound" with the direct implication that the markets if left to themselves will be fine – this sentiment itself is an important assumption of neo-liberal ideology.

The manifest closeness of the media, state, financial and economic elites is a worrying if unsurprising aspect of contemporary political processes and an understanding of the reflexive and dialectical nature of the relationship between this other "troika" of economy, communications and state is necessary to fully understand the mediated and fiancialised nature of contemporary political economy.

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GREECE, THE EUROZONE CRISIS AND THE MEDIA: THE SOLUTION IS THE PROBLEM

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Abstract

By October 2009, Greece faced a *sovereign debt crisis* and a *borrowing crisis* and it was said to be putting the Eurozone at risk. After much delay, the EU Commission together with the European Central Bank (ECB) and the IMF formed a hybrid tripartite entity, the so called "*Troika,*" to deal with the indebted country. This act raised the stakes since it converted the crisis to an issue of intense global media attention, influence and spin. The Greek people entered thus into the epicentre of a ferocious global publicness. This article analyses the Eurozone/Greek financial crisis, assessing critically the way that it was dealt with politically by national, European Union (EU) and Eurozone authorities. The author traces the modes that the eruption of the *crisis* was reported about, emphasising its crucial initial phase and exploring how *crisis-management-policies* were presented and discussed in transnational public spheres. She scrutinises the role of national and transnational media in *framing* this affair and key *political communication manifestations* or absence thereof. Moreover, the article examines the underlying material conditions and political economy motives of biased or "abnormal" reporting modalities. In terms of impacts, it elaborates on de-legitimation and polarisation of politics and in political communication of Greece as a consequence of "crisis management." The article explores EU power relations and the tangle of socio-economic and political reactions/events that evolved from a controversial "crisis management" model and their impacts to date.

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Introduction

The Greek financial crisis combined a public deficit with a high sovereign debt that became unmanageable when "the markets" declared Greece non-creditworthy and stopped lending. Thus, in October 2009 Greece faced a *sovereign debt crisis* and a *borrowing crisis*. This situation endangered the sustainability of the Euro-currency, so Greece appeared to be putting the Eurozone at risk. Yet, although the crisis erupted in mid-Autumn of 2009, the EU's action on Greece's near-default was delayed until mid-May 2010, thereby granting generous time to speculators. The peculiarity of this crisis consisted in the fact that a national economy faced default while potential outcomes of such crisis could impact on the Eurozone economy, due to tight interdependence. Eventually, EU authorities "bypassed" the challenge by assigning a key role to an external global agency: the International Monetary Fund. The IMF which together with the EU Commission and the European Central Bank (ECB) formed a hybrid tripartite entity, the so called "*Troika,*" to deal with the indebted country. This act raised the stakes since it converted the crisis to an issue of intense global media attention, influence and spin. The Greek people entered thus into the epicentre of a ferocious global publicness.

In this study I analyse the Eurozone/Greek financial crisis, assessing critically the way that it was dealt with politically by national, European Union (EU) and Eurozone authorities. I trace the modes that the eruption of the *crisis* was reported about, emphasising its crucial initial phase; I explore how *crisis-management-policies* were presented and discussed in transnational public spheres. I scrutinise the role of national and transnational media in *framing* this affair and key *political communication manifestations* or absence thereof. Moreover, I chart underlying material conditions and political economy motives of biased or "abnormal" reporting modalities. In terms of impacts, I elaborate on de-legitimation and polarisation of politics and in political communication of Greece as a consequence of "crisis management."

Following aspects of journalistic coverage concerning "crisis politics and policies," I assess the impact of actual policy interventions in dealing with the Greek crisis by the *Troika* and the EU. I focus on results concerning the failure of this tripartite entity to deliver and lead the Greek economy out of danger. By all accounts and assessments, to date the Greek debt-crisis is not resolved. On the contrary. Material and economic conditions deteriorated gravely leading Greece into an unprecedented humanitarian disaster. So, I explore EU power relations, the tangle of socio-economic and political reactions/events that evolved from this controversial "crisis management" and their impact. Eventually, I argue that the strategic media handling and the destruction that ensued the crisis, demonstrate that the crisis-management-kit was deployed to serve neoliberal market and concrete nationalist (anti-European) interests, by the dominant EU forces.

Profile of an Ongoing Crisis

Immediately after the elections of 9 October 2009, Greece faced its worst financial crisis because of its excessive public deficit combined with an unsustainable sovereign debt. Borrowing rates' spreads in government bonds soared, enlarging intra-EU discrepancy and terms of borrowing inequality. The country faced the spectre of bankruptcy and of pausing payments. Borrowing was denied and lack of vital cash to pay up interest rates and keep operating suffocated the economy. Yet, as a member of the Eurozone, bound by common currency frames, Greece could not act unilaterally. Thus, Prime Minister George Papandreou called on Eurozone authorities to address Greece's sovereign debt and borrowing crisis. However, he was met with denial and indecision. Badly needed concerted and *timely* EU action did not materialise. Unwillingness, ambivalence and inaction prevailed, accompanied with discontent, amidst a crisis marking a crucial turning point for the EU (Overtveldt 2011, 147–182).[1] For an ailing Eurozone member state, this was shocking. On the one hand, Greece could not act unilaterally to face its financial problems. It could neither devalue its currency, nor restructure its sovereign debt with relevant market players (Roumeliotis 2012). On the other hand, Eurozone authorities reacted inimically. Delaying decision-making entailed playing recklessly with *timing*. Thus, Greece found itself in a double impasse: facing both a political rupture with partners and a financial entrapment.

In the Eurozone Maze

So here, we encounter a case where vital borrowing was, initially, refused to a member state which, just a year earlier (2008), was forced by an EU policy to bailout private banks with taxpayers' money, unconditionally. How could this be explained? From the perspective of Greece, but not only, the first phase of EU's political inaction lasted for far too long (Overtveldt 2011; Patomäki 2012, 59; Roumeliotis 2012). Seven tormenting months went by with savage insecurity. This deliberate inertia marked a puzzling European "identity crisis." The "state of the Union" was shaken, signalling the onset of a sustainability crisis.[2]

The period of inaction lasted between October 2009 and May 2010. It was disastrously prolonged for the Greek economy and society, but also for the credibility of the Union. Practically, that inaction favoured reckless market speculators and gamblers betting on the dissolution of the Euro. The chain of interlinked market-political-media reactions triggered panic and frantic financial transfers. Political inaction accentuated wrangles and divisions between Eurozone members, while delivering huge financial revenues to central European stake-holders, e.g. German and French bankers and investors in Greek bonds, to the detriment of South-European member states. Germany, in particular, gained enormously because it borrowed with less than 1 percent interest, while Greece, Portugal, Spain, Italy and Ireland paid exorbitant interest rates or were excluded from credit. Greece could borrow at prohibitive interest rates or not at all. The gap of spreads (in yields) between member states widened exorbitantly. Thus, Greek bond yields soared, reaching some 33 percent at their extreme point, compared to Germany's, and they continued at high levels till 2012 (12.79 percent).[3]

Analysts stressed that with such gains, Germany profited by procrastinating EU decision-making because it effectively exploited EU indecision to its own profit, against EU-balance, solidarity or the common interest.[4] The then finance minister of France, Christine Lagarde (Lagarde 2010) blamed inaction in dealing with the Greek crisis on lack of "know-how" on the part of European authorities. This "admitted ignorance" justified the invitation of the IMF to deal with the Eurozone mess. Meanwhile, along those seven agonising months, stronger Eurozone economies gained since they turned into safe havens for investors from panic-stricken, crisis countries (Patomäki 2012, 159). The former magnetised investors fearing bankruptcy and loss of capital. Profitable though it was, such policy indecision proved "politically criminal" for several Eurozone economies. Ulrich Beck (2013) claimed that Germany arrived accidentally to the point of becoming a "monstrous European leader."[5]

Given such profitable indecision, Beck should probably reconsider. "Time is Money." Procrastination in decision-making allowed time to market vultures to fall on captive prey, devouring savings and properties. Such violent economic imbalance between member states was carefully induced, not accidental. Political inaction was manifest in negative reactions to Greece's desperate calls, for timely support, by EU authorities. But, the then Eurogroup president Jean Claude Juncker, Commission president, José Manuel Barroso and EU Council president Herman Van Rompuy appeared to be remaining numb. Irrespective of motives, such political inertia reveals a serious lack of statesmanship, irresponsibility and paralysis, all of which exposed the Eurozone to severe risks. The case is different with the ECB head, Jean Claude Trichet and the ECB board. Indeed, they counteracted the rescuing of Greece at that early, critical moment. According to Thomas Piketty:

> *A key moment in the Greek crisis was the ECB's announcement in December 2009 that it would no longer accept Greek bonds as collateral if Greece was downgraded by the bond ratings agencies (even though nothing in its statutes obliged it to do so)*(Piketty 2014, 649).

So, the ECB president and Board in fact "punished" Greece unduly, thereby endangering the stability of the Eurozone as a whole, quite contrary to their mission as heads of a central bank.

Humanitarian Disaster

Not surprisingly, problems got worse for Greece after the adoption of its "rescue programme." The crisis itself, but especially the dogmatic "crisis-management," since May 2010, have capsized everything in Greece. All aspects of normal life are upset. From the financial-economic to democratic processes, to human-rights, to social and labour conditions, to safety, to public and mental health, to pandemics, to life expectancy to nativity rates (OECD 2014a; see also Tsipira 2014). Normalcy ended and the country is experiencing devastation, a social disaster, comparable only to the catastrophe of Greece during the Nazi-German occupation. Mass unemployment of 1.5 million individuals is entrenched, while massive impoverishment and massive emigration waves affect the entire population. High levels of depression lead to acts of self-destruction, violence and social unrest.

Directly or indirectly, every Greek has been hit by the crisis in multiple ways. The poorest majority are experiencing it extremely harshly. Private and public employee salaries and pensions have been cut by over a third. Salaries of new employees, under 25s, dropped to 300 Euros. Aged individuals are impoverished, unable to emigrate or otherwise improve socio-economic conditions. A yearly flat poll tax is imposed on every property connected to electricity. As a consequence, over 300,000 households were deprived of energy provision. Depending on professional category, taxes have doubled, tripled or quadrupled. Yet, oligarchs and the very rich, among whom many corrupt politicians, continue to evade taxation.

VAT rates rose forcibly to prohibitive levels: 23 percent for consumer goods. Due to such lethal austerity measures consumer demand tumbled, so over 400.000 boutiques and small and medium size enterprises (SME) closed.

Unemployment is now the highest ever in peace time and the single highest in Europe. It is officially recorded at 27 percent.[6] Youth and female unemployment rates are even worse, reaching 57 percent for the 15–24 age group (Rombolis 2012).[7] Survival agony haunts those aged over 55 years of age, who, once made redundant, join the category of the *unemployable*. Meanwhile, those eligible for the meagre unemployment benefit make out a small minority, 10 percent of the unemployed. According to official statistics, over half a million households lack any working/earning member, in 2013. They rely on charity rationings and are lucky if they can eat at public, community or charity subsistence canteens. Given conditions of utter loss of dignity, Greece faces historically high levels of suicides. Since the beginning of the crisis, it is estimated that ca 6.000 individuals committed suicide. Death-rates rose dramatically too, while nativity and life expectancy dropped sharply. Over one million Greeks have emigrated since 2011, in search of employment in other parts of the world, (Australia, USA, Germany, Sweden, UK). Most of Greece's brilliant, best educated graduates leave the country for lack of professional options, thereby incurring a severe brain-drain effect to national economy.

Most productive sectors are hit gravely, thereby paralysing the economy.[8] Following such economic destruction, induced by Troika's "crisis-mismanagement," Greece is experiencing a disastrous wave of closures, especially among SMEs which formed the core of the country's productive capacity, while local consumer demand relied on them. Lack of solvency and cuts in income and buying power destroyed livelihoods of both low income and middle class individuals.

Lending is unavailable for self-employment occupations or SMEs. Private debts and default property mortgages grew sharply. Concurrently, financial insecurity leads to fund-flights to markets abroad, thereby concentrating money in fewer, stronger "hands." Due to inability of unemployed to pay their mortgages, they soon become homeless. For the first time in post-war history, Greeks face problems of homelessness. Concurrently, the amount of private default bank-loans exceed 40 percent of the total, thereby endangering the sustainability of the banking system. Thus, a vicious circle is set in motion. Some 150,000 households risk repossession of their homes this year. Nonetheless, currently, "the Troika emperors" are pressing viciously towards broadening such policies which undermine fundamental human rights. Following the Troika-dictated contraction of the National Health System, about 80 percent of patients with severe illnesses are unable or face difficulties in receiving vital medication. Economic stagnation, collapse of normalcy and loss of hope demoralise people and foment desperation. Incidents of violence have augmented. Likewise, mistrust to politicians and to democratic institutions grew dramatically. Concurrently, due to tradition of clientelism and endemic corruption powerful or rich individuals may still bend the law or evade taxation. Corruption takes at least two parties as it is relation-bound. Even in the era of Troika, corruption is out of control in Greece, as it is endemic in the ideology of cut-throat-competition and obviously it does not stop at Greek borders.[9]

Protestant Ethics for "Grexit" Scenarios

From the beginning of the crisis, in autumn 2009, EU elites led by the German coalition government of Angela Merkel, refused to consider the Greek borrowing impasse and act on it. EU leaders' initial reaction to the borrowing crisis of member states, notably those "derided as the PIIGS," was one of non-policy-making (Geithner 2014, 443).[10] Could "amputating Greece" from the Eurozone be a "clinical" solution to the problem? Indeed, the German government pushed this hidden agenda forward (Geithner 2014). An "ethnic cleansing" type of "solution." Even though ardently pushed, initially (2010–2011), it gradually became clear that ejecting Greece out of the Eurozone could backfire (*The Economist* 2012).[11] The "Grexit scenario" would have cost more than any rescue plan for Greece would. Greece's economy represents a minute part of the European GDP. Nevertheless, "Grexit" could prove multiply damaging, and worse still, contagious. Due to such fears, more circumspect views prevailed and the covert "Grexit policy plan" was abandoned. Former Eurozone president, Jean Claude Juncker, visited Greece officially, in his capacity as Luxembourg's prime minister, on 11/06/2013. In a TV interview, he claimed that when Germany with its allies (Austria, Finland and Netherlands) insisted on the "Grexit scenario," he threatened to resign, if plans of expelling Greece were realised. The "Grexit scenario" was tacitly ruled out in the G20 Summit, at Cannes, on 2 November 2011, when Nicolas Sarkozy and Angela Merkel challenged George Papandreou over his proposed referendum.

After an agonising spell of wrangles and deleterious pronouncements, when ignoring the Eurozone/Greek borrowing crisis was no longer an option, EU leaders agreed to launch a rescue plan, in May 2010. This materialised only with the implication of the IMF and the ECB. So, EU leadership, sluggishly, adopted the first bailout programme of 110 billion Euros in 2010. The *memorandum* between the Troika and Greece was forced on a country with no alternative choice whatsoever. Remarkably, the so called "rescue loan" (sic) commanded 5.5 percent of interest rate payable to EU partner-creditors, within a period of 7 years. Besides, as a "free inside bonus" it dictated deployment of the full array of neoliberal restructuring policies: i.e. demolition of the welfare state. Unsurprisingly, it was widely criticised as a punitive action against Greece, rather than alleviating the crisis (Geithner 2014). Even moderate analysts denounced the Troika Memorandum with Greece as involving "colonial contract" terms (Roumeliotis 2012, 12; see also Overtveldt 2011; Patomäki 2012). Instead of effective solutions facing cohesion gaps in the Eurozone, inimical, counterproductive "punishment tactics" prevailed. The loan was criticised as harsh, unrealistic and unsuitable for the country. Consequently, the "resulting debt crisis has taken several fateful turns since then, and in many of the worst-affected countries continues" (Patomäki 2012, 137). Unsurprisingly, that package failed. So, in November 2011, Eurogroup heads launched a second bailout loan of 130 billion Euros with reduced interest rate (3.5 percent) and extended repayment period (15 years).[12]

In November 2011, at the G20 Summit at Cannes, Prime minister, George Papandreou announced a referendum so that Greek citizens decide whether they accepted the terms of the new "rescue loan." *Ipso facto*, Greeks would decide about Eurozone policies. Yet, such democratic exercise alarmed EU leaders who rejected it outright. PM Papandreou was obliged to renounce the "dangerous referendum" and to resign. The acclaimed technocrat, Lucas Papademos, a former vice-president of the ECB, became Greece's next, appointee prime minister. During the first semester of 2012, the Private Sector Investors (PSI) haircut became the main concern of the Papademos government, in its efforts to contain the cumbersome sovereign debt. This internationally novel practice succeeded up to 86 percent with the cooperation of PSI investors (*Der Spiegel Online* 2014, see also Roumeliotis 2012). Nonetheless, it had dire repercussions for "social" investors such as pensioners' insurance funds and small individual investors.

The political climate soon got uneasy again in Greece, prompting a re-launching of elections for May 2012. During elections both incumbent "power parties" lost heavily. The left party SYRIZA emerged strong, reshuffling the cards and recasting political premises. Yet, a society without any "coalition culture" had to learn and adapt fast in sharing governmental responsibility. Inability to form government during May led to an election re-launch and the ensuing political instability was challenging. Eventually, a coalition government was formed in June 2012, between Nea Democratia, PASOK and DEMAR, the social-democratic nuance of the left. Additionally, in the Eurogroup of November 2012, finance ministers pledged to ease and modify Greek debt terms, in case Greece achieved "primary public surplus." This is another disappointing bluff by EU partners. Although primary public surplus has been achieved since 2013, easing of borrowing terms fails to rise to the agenda. Juncker denounced the "punishing protestant ethic" of certain leaders from the economically stronger members. Evidently, though, denunciations make no policies.

Agendas and Hidden Agendas

According to EU legislation the debt ratio of member states should not exceed the threshold of 60 percent of their GDP. In order to achieve it, failing Eurozone economies should resort (a) to bleeding austerity, (b) endure IMF-assisted austerity / restructuring programmes or (c) submit to intra-EU-debtocracy. Euphemistically, such domination arrangements are named "rescue plans." Essentially though, they constitute key mechanisms of coercing societies to ultra-neoliberal degradation and impoverishment. Given such coercion, crises emerge as "strategies of subjugation."

The economic disaster profile of Greece since the onset of the crisis is revealing. In 2009, the sovereign debt represented 90 percent of the country's GDP. In May 2010, at the time of the Troika intervention with its "bailout" programme, the sovereign debt had already jumped to the astronomical level of 120 percent of the GDP. Consequently, during the initial agonising period of those seven critical months of the EU's "non-policy-making," an extra 30 percent of debt was added onto Greek taxpayers' load. Moreover, contrary to rescue plan remedies, during the year 2012, the country's sovereign debt galloped to astronomical levels: 177 percent of GDP (Kong 2013; see also Evans-Pritchard 2013; Klossas 2014; Delastic 2014). Hence, the troika failed squarely and patently in all its aims and predictions concerning recovery and growth for the economy. Namely, they had forecast growth of 2.1 percent for 2011 and 2012. Yet, four years on, the Greek economy is contracting. So, the pertinent question is: what objectives are actually promoted through "*intra-EU debtocracy*?"

Journalistic Shift in Covering EU Affairs

Agonising uncertainty hit Greeks in 2009, when EU leaders refused to accept the European scope of the problem, insisting that this was an exclusively Greek mess and launched "Grexit scenarios." So, how were those acts, events, non-policies represented by media internationally and nationally? What was the immediate and foreseeable impact of such mediatisations? How did media treat ambiguous, equivocal and controversial issues, for example "Greek statistics?" Did they allow any benefit of the doubt, or merely assume *a priori* negative anti-Greek stances?[13]

Since the financial crisis of 2008, global news agencies started focusing intensely on the Eurozone, dragging along national and transnational media, notably the electronic. Set against a background of confirmed prior *political communication deficits*, such shifted emphasis on the EU is remarkable (Kaitatzi-Whitlock 2005).[14] It forms part of a major financial and media strategy shift, after which Brussels, Frankfurt, Berlin but also crisis-stricken countries, became primary targets of focus.[15] Greece was dragged into the whirlpool of transnational journalism at this crucial turning point. Countless news items focused on the near-default of the Greek economy. Credit-ranking firms assumed next the pivotal role.

In line with this key market action, semi-official statements about "disciplining,""punishing" or expelling "incorrigible borrowers" like Greece leaked out. Political and financial elite figures supplied such contents to the media. Among them figured Wolfgang Scheuble, German finance minister, Philipp Rösler, then minister of economics and technology and vice-chancellor, Guido Westervelle, then foreign minister, all members of the Merkel cabinet (see also Geithner 2014). Such politicians together with financial elite personalities fed the media with inside information and "dictates." Thus, definitions, aphorisms, rhetorical stigmas were furnished by such "primary definers," notably, to colluding media, acting more like "press organs" of markets. Via intermedia agenda setting processes these "stories" were subsequently relayed in other mainstream media internationally.

A novel globalisation effect is observable here. Transnational media are normally delinked structurally from concrete societies, a feature contributing to insensitivities, un-reflexive coverage, including intimidating, hostile or divisive journalistic "frames." Concurrently, such media evade transparency and accountability requirements, do not refrain from relaying defamatory propagandist contents. Focusing on the Eurozone, they "framed" it in ways that stressed internal divisions or hostilities, setting economically "good" against "bad" members. Targeting performance and economic discrepancies they coined the category of "PIIGS" for weak peripheral Eurozone economies. Such framings fuelled inevitably further intra-Eurozone controversies. Consequently, this *shift of focus* and of *public attention management*, was catalytic and repositioned abruptly the European polity. Hence, torrential "reports" on the sustainability of the Euro marked the *turning point* in mediatising global financial-media wars on European space.

Thus, from a prior situation of *political communication deficits* and missing journalistic coverage of Europolitics, Europeans crash-landed in a *media habitat* which kept reporting about: exorbitant public deficits, imminent financial disasters, risks of sovereign defaults. Such media coverage, accentuated a financial climate of *panic* in the Eurozone thereby precipitating financial breakdowns. In such tense communicative climate, abuses or absurdities got "normalised."

According to Troika "rescue-programmers" the Greek crisis will end in 2020. At that time the sovereign debt of Greece, is presumed to become sustainable because it will reach 120 percent rate of the country's GDP. This is farcical because when the Troika intervened, in May 2010, the debt to GDP ratio was 120 percent. Why should a sovereign debt of 120 percent of GDP, be unsustainable in 2010, but would be sustainable in 2020? Strangely enough, mainstream Media and policy-makers failed to highlight such absurdity. Instead, they were busy promoting "Greek villain" type of stories.

Surely, deficits, malfunctions and corrupt practices abound regularly. The novel problem lies rather in deliberately tendentious, opportunistic exploitation of such debts and deficits by distorting their premises to the detriment of the weaker, needy partners. Biased financial-media handlings operated as clear-cut *self-fulfilling prophesies*. During 2009–2010, "reports" on the Eurozone dealt with imminent bankruptcies, illustrated with weighty "expert opinions" of self-interested companies or market analysts[16] and about ruthless gambler-actors.

Journalistic reports are claimed to be professional, that is, systematic and fair representations of reality according to codes of professional ethics and principles. Close analysis reveals sharp increases of aberrations and unwarranted, alarming contraventions of truthful reporting. So, it is crucial to examine competing economic interests and underlying financial relations between (a) implicated, warring media and (b) subject/victims of such reports. In mediating the Greek sovereign debt and borrowing crisis, a number of deployed modalities by EU protagonists and financial institutions were remarkable. Partisan journalistic practices were central for the outcome of this "battle." To the point: statements were heavily loaded, from the outset; they were impertinent, insulting, caustic or dismissive. When not evasive "oracles," they gravitated towards moralising, thereby bypassing pressing needs for pragmatic policy action. Seen from the perspective of EU citizens, why should concerted demagogic strategies and respective non-policies be tolerated?

Mediating the Greek Crisis: First Phase

Ever since the outbreak of its sovereign debt and borrowing crisis Greece experienced a *tsunami* of aggressive media treatment, amounting to a sustained *denigration campaign*. Greece's evident financial failure made such hostilities seem permissible. Furnishing the unfair "Grexit" scenario looked plausible or even justifiable to key actors. Grexit reflected German financial elites' and politicians' unwillingness to bailout Greece, but notably also their will to exploit this "crisis as their opportunity."

What Media Thematologies?

The role of German vulgar tabloid media was instrumental to that effect. They launched a dirty smear campaign and set the intermedia-agenda. Key personalities from the financial elite of the EU, for instance ECB board members, but also global market analysts (credit-ranking firms, other central banks, Bloomberg, Reuters, ECBS, FT, WSJ) interacted in feeding relevant contents on the Greek drama. Along with the deliberate policy paralysis, leading media, notably, the vulgar German press mounted a sustained tsunami of slander reports against "Greeks." Hard facts were missing but negative adjectives prevailed: "lazy," "corrupt," "profligate," "untrustworthy."[17] The tabloid *Bild Zeitung*, the periodical *Focus*, but even the acclaimed

Der Spiegel pioneered in producing negative *opinion* and *stereotypical* images about the "corrupt Greeks."

However, corroborated evidence reveals the publicising of blatant lies and flippant judgments. The most typical propaganda item turning *white into black* concerns accusations of Greeks as "lazy." In fact, EU and OECD data prove the exact opposite, putting Greeks at the top of the list of hardest working people. Interestingly, Germans do not figure at all among the top ten. "[A]verage Greek is working a full 40 percent longer than the average German"(McDonald 2012). Nonetheless, the stigma of the "lazy Greeks" stuck on simply by force of being pronounced by authoritative sources and popular media. Despite the tragic conditions applying currently in the country, yet another infamous example concerns a 2013 report diffused by then ECB board member Jörg Asmussen. According to it "Greeks are richer than Germans." A recent OECD report on "social indicators" (OECD 2014a and OECD 2014b; Tsipira 2014; see also The European Union Research Group 2003) proves this too a false depiction. Preposterous "information" sources and false reports thus served to frame hostile anti-European strategies and to construct scapegoats.

Content and thematology analysis of the Greek crisis coverage, demonstrates, first, that reports dealt primarily with "guesses," "credit-worthiness estimates," "predictions" and speculative "conjectures." Credit rankings by Moody's, Fitch, Standard and Poor's fed the scenario of Grexit instigating financial gambles and betting pandemonium. Secondly, media inputs consisted of biased, partisan or ironic commentary. Thirdly, they promulgated blatant stereotypes and defamatory outputs against the country. None of these categories correspond to "actual events" or "hard news." They are propaganda items, conducive to speculative games, illicit influence and dominance.

Reports about true facts, as corroborated by all implicated agents and of a comprehensive, pluralistic nature were scarce. The combination of withholding correct facts and spreading managed inside-information curtailed transparency. Even though serious analysis and informed opinion articles were published (notably in later phase), proportionately, these represented a drop in the ocean of *media spin*. In sum, thematically, the predominant menu of stories on Greece, was about (a) intimidating threats and risks (b) stigmatising and name-calling and (c) quarrels between EU leaders (Greece and Germany particularly), concerning policy disagreements.

Serial *ad hominem* attacks kept recurring for too long. Yet, no relevant political body, independent authority, human rights' advocate or NGO was bothered by unethical or criminal propagandist media excesses. Nor did they denounce any press abuses. Hence, such media continued undisturbed to construct the image of a European "rogue nation" based on outright lies. In the face of such a racist tsunami of gratuitous media violence against Greeks, the poem: "The Shame of Europe" by Günter Grass, the German literature Nobel prize laureate and a handful of other significant statements, came as rare reasonable and humanitarian contributions against barbarism.[18]

Is All Publicity Good Publicity?

Greeks experienced what it means to be stormed by smears of relentless defamation, while impotent to respond to outbursts of factual lies or to be awash with threats. Stories condemning aberrations, from the Greek perspective were largely missing. To a small degree they figured in French, English or Hispanic language press. In a spring 2011 content analysis we found that among three transnational channels: BBC World, Deutsche Welle, France-24, panellists from Greece figured only in current affairs programmes of France-24.[19] Counterbalancing facts and stories were crucially significant, not only for alleviating the battered Greeks, but most importantly, for saving journalism ethics, for maintaining truth, reasonableness and fair reporting in *European political communication*. Alternative press items, if not sobering, exposed and disapproved staged demagogy.

Mediations of the Greek sovereign debt and borrowing crisis constitute a unique and most intriguing case. Seemingly, the intense war-like journalistic coverage of this case broke out simultaneously with the outbreak of the crisis. Apart from remarkable, such propagandist handling of the issue was puzzling (ibid.), especially since aggressive journalistic items were relayed further in "serious" press outlets. Crucial newsworthy material, regarding controversial issues was sparse or non-existent. Again, this aspect was most evident during the first phase of the crisis. Newspapers like: *Le Monde, Liberation, Guardian, NYT, El Mundo, Republica, Telegraph, WSJ,*while still in the periphery of the crisis, presented moderate, more nuanced or pluralistic outlooks, thereby counteracting the gross biases of the Germanic press. Apart from anything else such media processes are both illuminating and catalytic as regards "Europeanness." Notions like "European integration," "solidarity" or "Unity in Diversity" signified common values, ostensibly, cherished until the beginning of this crisis. However, since 2010, these began to fade or sound even preposterous.

Media-Induced European Racism

Representations of the Greek crisis constitute particular cases of an institutional "intra-European racism." On the basis of such "inexplicable," at first glance, wave of negative "elite statements," but also their obstinate recurrence, and diligent diffusion, I claim that these were orchestrated. I argue that the launching of denigration campaigns aimed at incriminating Greeks for the crisis and at cultivating racial guilt syndromes (see also Papademetriou 2000; 2013). Blame for corruption was attributed exclusively to Greeks, thereby purging the true corruptors: national monopoly champion companies of the North. It aimed also at punishing Greek citizens materially and intimidating them morally. This was a veritable *media war*. *Ipso facto*, it aimed not at resolving the financial crisis, but the contrary.

The initial conception and mediation framing ascertained the deterioration of the crisis. Apart from being openly polemical to the Greek society and polity, that journalistic frenzy fuelled market panic thereby pushing prices up, increasing the sovereign debt disastrously and establishing mistrust. Greek bond interest rates were driven amuck. Meanwhile, speculators gambled astronomical sums on Grexit. Insolvency became suffocating. This initial outcome led masses to leave the country, businesses to fold, capital to migrate to safe havens. So, here we observe the strategic interplay between (a) designed policy-making inertia, (b) propagandist political communication, and (c) exorbitant monetary value transfers, from periphery to centre, in Europe's political economy.

What should citizens rather demand: news of facts or propagandist speculations of potential outcome? In times of "casino capitalism" crises journalism has degenerated beyond recognition. Thus, it cannot live up to or fulfil its constitutive mission. Due to a superordinate *market-politics-and-media-collusion* speculative media operate mainly to serve such stakeholders' profits by spreading cues as to strategic moves for financial loss-gains. Such media and "news" sounded out the "scenario of Grexit" and its feasibility. In this light, notions of "independent," "objective" or even "balanced" media reports are obsolete. Antagonistic, biased approaches prevailed led by: global financial markets, dominant media and neoliberal politicians, as primary definers of crises. This *collusion* is the new locus of global power. Transnational dominant media possess market size and clout to impose intermedia agenda-setting effects and to promote "received agendas."

Second Phase: Media Focus on Humanitarian Disaster

In 2012, after stalling the Greek economy and entrenching the humanitarian crisis, an alternative type of international media performance became gradually prominent. There now emerged sympathetic reports. How could an already heavily indebted Greek economy be reasonably expected to pay prohibitive interest rates of 5.5 percent to "rescuer-partners?"(Strupczewski 2013). This "aid" debilitated Greece's economy further. Critics denounced bailout interest-rates but also the "colonial terms" imposed on Greece (Roumeliotis 2012, 12).[20]A broad debate surged around the sustainability of the debt and mismanaging the crisis, among leading world economists. Mainstream US newspapers, such as the NYT, but also important internet outlets projected the crisis in more pragmatic and fair terms, especially, in the second phase.

Thus, media attention was now directed to social distress and the rapidly evolving humanitarian disaster. Many human interest, commiserating stories appeared. They dealt with charity food hand-outs (Beck 2013),[21] people who committed suicide in public squares, hungry children passing out in schools, the Syntagma Square protest congregations and their grievances, as well as the massive closures of SMEs. Such "human interest stories" across the global press, sensitised many, shaming protestant ethic hardliners. Angered grievances of Greeks reached out to influential media during this phase, but to no avail or policy relief. Despite publication of victims' plights, harsh material conditions persist still and are deteriorating (Tsogopoulos 2013).

The Greek Media

The Greek media depend on international news agencies for sources and footage and are often affected by the latter's editorial policies. This relation pre-conditioned inter-media-agenda-setting, even on the issue of national survival. A remarkable confusion characterised many mainstream media, regarding "what line to follow" as events got intense and adversary for the survival of the country, but also about its international "image."

As a consequence, a novel "genre" surfaced in daily bulletins, accounting about how the world-press reported on Greece. How was Greece reported about in Germany, UK, France, Australia and America? What were the implications of such reporting? This novel thematology covered large chunks of news bulletins' time and space. Although extrovert media stances, reflexive of what is going on in the world, are healthy and useful and operated for long in Greece, extreme doses of heteronomy demonstrate confusion and loss of self-confidence by Greek elites.[22] In this vain, many dominant Greek media adopted a crude line of reporting, frames, as "exported" by leading EU media. Subsequently, when the crisis spread also to other economies and Greece was no longer the single "culprit," a measure of diversification emerged, incorporating also, alternative nuanced views on the Eurozone drama.

After the exasperating years of 2010–2011, the Greek media scene settled into a typical polarisation. Dominant media, notably the five commercial TV-channels,[23] implicitly or explicitly, conformed to Troika dictates. Especially, since PM Papandreou's ambushing with the referendum option, these media emerged as ardent supporters of the country's affiliation to the "Euro," projecting it obsessively as the "one way path" or as a taboo issue. So, they supported or combated parties on the basis of their "pro- or contra-Euro" stance. In short, they favour any government accommodating to Troika ultimatums. Thus, the European intermedia-agenda-setting "succeeded."

Conversely, several – less powerful – newspapers and influential internet media outlets adopted oppositional stances to the Troika-crisis-mismanagement. They project "the crisis" as a stage for the coercive promotion of ultra-neoliberal policies on Greek economy.[24] The dichotomy between pro- and anti-memorandum media adherents is observable in all vital conflicts. Greek media moguls are notorious for collusion with governmental "power parties." Consequently, in such nationally crucial controversy as the debt crisis, the dominant Greek media imported, rather crude discourses, as furnished by embedded German counterparts.

Summing up "media developments" in this case, it is evident that the aggressive, propagandist framing approaches as launched by the vulgar German media succeeded remarkably on several fronts. Inter alia, it commanded accommodation effects both among mainstream Greek media in their "takes" of the crisis and in subsequent policy and political outcomes in the country. Surely, an ad hoc *micro-framing analysis* will explore and reveal more specific modalities and operational methods in achieving such remarkable effects.

Material, Economic and Political Impact of the Crisis

By most independent accounts, the four years of "crisis-management" have derailed the Greek economy or destroyed it (Evans-Pritchard 2013; see also Chee Kong 2013; Kotrotsos 2013). Standard economic indices confirm such evaluations. Currently, the debt/GDP ratio is 177.2 percent, (328 billion Euros) from 161.6 percent in the previous year. So, despite austerity sacrifices and exorbitant taxation, the public debt keeps enlarging. The 2013 public deficit was 4.3 percent of GDP. Economic recession was at -7.4. Aggregate economic contraction since 2008: was 32 percent. Inflation rate was 0.1 percent, turning on deflation (Chee Kong 2013). Employment levels are negative for six consecutive years. Yet, consumer goods' prices remain high or increase, due also to a punitive, Troika-imposed VAT of 23 percent. Both private bank debts and public debt have been "socialised" brutally. People's individual property is being "confiscated" to pay added taxes. Meanwhile outstanding debt of Greek households to the state coffers (from taxes, levies, poll taxes, etc.) surpasses 65 billion (2014). People are materially crushed and morally depressed. This economic outlook is commonly defined as a "free fall recession," only this one was provoked directly by Greece's "rescuers."

By all accounts, we have a notorious case of crisis-mismanagement.[25] Its impact is cumulative and multifaceted, touching on all aspects of life and death. The long term impact is dire. After prolonged insecurity, tired of ineffective "rescue programmes," Greek citizens suffer from frustration and despair. They feel overwhelmed by a German politics of domination, fear and blackmail. Unfairly punishing innocent citizens, while securing impunity for wrong-doer politicians, national and European, outrages the majority of demoralised Greeks. Hence, a sense of "undeclared civil war" lurks between the few who defend extreme austerity measures and those denouncing them. Are austerity policies not dividing Europeans? Ulrich Beck responds:

> *Indeed they are, in many ways. First of all we have a new line of division between northern European and southern European countries. Of course this is very evident, but the background from a sociological point of view is that we are experiencing the redistribution of risk from the banks, through the states, to the poor, the unemployed and the elderly. This is an amazing new inequality, but we are still thinking in national terms and trying to locate this redistribution of risk in terms of national categories* (Beck 2013).

Impact of Crisis on Politics

The overall impact of a reckless "crisis mismanagement" is observable on several fronts, including on the realm of politics. Distortion of the true nature of a common, systemic Eurozone problem and failure to treat it accordingly, promptly, was disastrous. A swift remedy of the Greek debt and borrowing crisis was excluded at source. Thus it became subsequently unmanageable, causing unprecedented financial losses and instigating contagion to other periphery economies. *Ipso facto*, that devastating inaction triggered the ongoing pan-European recession. An entity pretending to be a Union of democratic, rights-holding constituents: states and citizens, has been subjected to the whims of select "markets." Such "crisis-mismanagement" impacted drastically on politics. Political confidence and credibility of politicians corroded in Greece. The rise of the neo-Nazi party into Parliament, in 2012, is quite indicative. So is the conversion of Greeks into Euroskeptics (Romaios 2011).

Nowadays, citizens and politicians from across the political spectrum admit of feeling un-free and unequal or even oppressed by "EU rescuers." They doubt European democracy and its key institutions. De-legitimating and depoliticisation are a *fait accompli* and come in a variety of forms: abstention from elections, a trend, growing fastest among younger groups.[26] An ascending "anti-party-ism" is amply manifest, in rapid dealignment, but also in rejecting politics altogether. Attacks by exasperated citizens against parliamentary representatives or ministers are daily and widely broadcast phenomena, expressing disaffection. Political apathy grows rapidly.

Discontent with politics and increasing anti-party-ism accentuate the crisis of representation. Such reactions are induced by a Parliament, forced repeatedly to ratify unpalatable measures, under blackmail (Cohn-Bendit 2011). Fundamental constitutional rights are trampled on. All too often decision-making is illicit in arbitrary or faked processes, curtailing vital stakes while mocking citizens. Resignations by tens of deputies signal abomination. Extremely quick, imposed drafting terms disallow reading, understanding or discussing issues. Yet, this is the regular path of imposing exogenous *ultimatums* and "restructuring policies" in exchange for the next bailout-sum.[27] Deputies face acts of civic contempt and the ensuing political instability lead to government shift four times in four years.

Cumulative political discontents account, first, for the near extinction of the socialist party: PASOK. From vote rates approaching 40 percent, in pre-crisis elections, it tumbled down to 12 percent in 2012. It is currently struggling in the region of 4.5 percent.[28] Secondly, since its spectacular u-turn as regards adopting the Troika "crisis-management-kit," the diminution of the co-governing party "Nea Democratia" is also considerable, averaging around 20 percent. Thirdly, there was a sharp rise of the radical left party, SYRIZA which had 4.5 percent of votes before the crisis and is now flirting with voting-rates of over 27 percent, especially since last elections. Fourthly, a violence advocating organisation notorious for "self-enforcing" of the law, the neo-Nazi party: Golden Dawn, rose to a stunning parliamentary prominence.

Besides, the single largest "force" in both previous elections were non-voters and negative voters (white or invalid ballots). Correspondingly, the aggregate category of the undecided and disinterested is the largest-one in most polls. Such indices forebode the transition of democracy to an "ancien regime" status. Without prospects of any collective autonomy, democratic politics, as a mode of self-organising and managing public affairs, dies. The *coup de grace* against democracy is condensed in mounting disbelief that politics can achieve any change. Furthermore, legal authorities and the police come under attack too. So do the media, which face also mounting criticism. Yearly surveys, conducted by "Transparency International" indicate that media legitimacy has reached rock bottom. This is attributed to hypocritical or docile stances in crucial controversies.

Impact on Sustainability of the EU

The eruption of the sovereign debt and borrowing crises unleashed a more profound and severe challenge: the question of the Union itself and its terminal democracy deficits. Growing discontent and mistrust of the EU emanate from implementing discriminatory policies and "us against them" stances by EU authorities. This is substantiated by brutal austerity measures undermining dignity and decent human life and promoting inequality. The test of the Eurozone financial crisis, in the Greek near-default case was, however, catalytic. Narrow nationalist objectives, especially on the part of Germany, in tandem with global speculative gamers, imposed non-policy-making stance, thereby entrenching an opportunistic "EU-policy-impotence" that is unleashing havoc. Due to unequal treatment of comparable cases (e.g. Cyprus and Luxemburg) people nowadays question EU's "rule of law" status or its fairness (Romaios 2014, 177; see also Overtveldt 2011; Katrougalos 2012; Patomäki 2012; Roumeliotis 2012). Such failures bring EU legitimation deficits to nadir. Similarly, public grievances concern sovereignty and subsidiarity matters, notably, the Greek state's jurisdictions.

Four years since the onset of the crisis most observers accept that the economic and socio-political crisis in Europe is systemic, common to all Eurozone members. Besides, a consensus is growing about the deepening of the crisis, threatening the EU with dissolution (Overtveldt 2011; Varoufakis 2011, 206-208; Patomäki 2012; Geithner 2014; Romaios 2014). In any Union, one's deficit is the other's surplus.

This cannot be concealed. It is exactly why Germany has reportedly gained forty-five billions only initially from crisis-stricken Greece (Bakoyanni 2012).[29] Overall, EU elites' strategy to negate the structural character of the financial crisis, their obsession to project the Greek case as a *sui generis* problem, destroyed Greece. The initial inaction in support of Greece, against menacing and credit-denying markets, generated Euro-skepticismor even dismay against the EU.

Moreover, the fact that the infamous scenario of "Grexit," was played out, now as a menace, now as a blackmail, but even as a bluff against Greece shocked people. Such conduct by powerful members disillusioned citizens. What is this Union actually up to? Why are "leaders" acting divisively? Questions about fundamentally unethical acts remain open. Citizens realise their alienation from power figures who care more about banks while disregarding survival of fellow-citizens. Since the Troika memoranda impose irrational and tormenting conditionalities to coerce unpalatable neoliberal policies, "rescuers" are accused of coveting Greek productive sectors and real estate (Mandravelis Vaggelis, 2014; see also Müller 2012/13; Perakis 2013; Katrougalos 2013).[30]

Such acts reveal "EU elites" as *enemies/antagonists* rather than partners. Angered citizens reject such ostensible "Union." After four years of humanitarian disaster, in view of the Euro-elections of May 2014, the European Parliament rose up to its role as evaluator of the Commission. An *ad hoc* committee was set up, as late as 2013, to address accusations about "mismanagement of the crisis" and of preposterous Troika demands, forcing intolerable austerity measures that violate basic human rights. Under interrogation was the Troika's compliance with EU law and fundamental rights. Besides EU authorities' toleration of "media wars" prove a questionable ethics, a crisis of union identity and democratic collapse. Europeaness is profoundly damaged. Accentuated intra-EU financial divisions, entrenched extreme cleavages between robust dominant economies *versus* ailing periphery ones. The aphorisms about a "German Europe" or Ulrich Beck's "German empire" or "Germany as a political monster" notions (Overtveldt 2011; Beck 2013) reflect such insuperable European controversies.

The Politics-Media-Financial Collusion: Debtocracy versus Democracy

But, paradoxes continue. IMF head Christine Lagarde, highlighted repeatedly severe mistakes in designing and application of the Greek programme. Similarly, IMF chief economist Olivier Blanchard, admitted twice in official statements of specific policy mistakes on the Greek programme. Despite a devastating *de facto* failure of the ostensible rescue programmes and consecutive confessions of mistakes, nevertheless, acting as "external lender-rulers" of Greece the Troika insist, intransigently, on completing the destructive recipe. Flabbergasted analysts ask why adhere obstinately to a "killing the patient cure."[31] Why is such conduct legally or morally permissible? Given the Greek disaster's critical stage, media analysts raised accusations of "irresponsibility" and "impunity" of EU politicians (Evans-Prichard 2013). Namely, Ambrose Evans-Prichard claims that: "Olli Rehn should resign for crimes against Greece and against economics," concurrently, commanding due accountability just as in any state under "rule of law":

> *The Troika originally said that Greece's economy would contract by 2.6 pc in 2010 under the austerity regime, before recovering with growth of 1.1 pc*

> *in 2011, and 2.1 pc in 2012. In fact, Greek GDP remained in an unbroken free-fall. It did not grow in either year. It contracted a further 7.1 pc in 2011, 6.4 pc in 2012. Roughly speaking, the Troika misjudged the scale of economic decline over three years by 12 pc of GDP. The total decline will be around 25 pc, surely a Great Depression* (Evans-Prichard 2013).

The orchestrated propaganda project unleashed around the Greek crisis points to its strategic nature. Media outlets acted as-if-in-military-campaign thereby exposing insidious hidden agendas which damaged people materially and morally. Given that such media strategies and corresponding policies are destroying innocent people's lives, justice entails that criminal debtocracy decision-makers be punished.

Concluding Remarks

The Greek/Eurozone crisis is distinguished, first, because of the immorally polemical propaganda handling of it and, secondly, in terms of the actual Troika-induced humanitarian disaster. Key EU leaders "wished to punish and crush the Greeks" (Geithner 2014). Indeed, they have succeeded largely in their objectives.

As regards communicative strategies content analysis of key national and transnational media reveals a remarkable shift, first, in focus of attention and, secondly, in hostile framings. Self-interested politicians and financial markets' leaders supplied the core media with such contents against Greece. Collusion partners assigned the dirty propaganda strategies to select aggressive and most vulgar media. Dominant media and market forces mounted a clearly anti-Hellenic propaganda campaign. Nevertheless, a significant counterbalancing and sympathetic press towards Greece rose up, as a reaction to that, and increased worldwide, notably during the second phase of the crisis. This was critical of the EU and condemning irresponsible "vulture politics" seeking to subjugate Greece's economy. After four years (May 2010–May 2014) of Troika interventions the "Greek situation" is, now, far worse than when the crisis erupted. Instead of remedying, the crisis-mismanagement-mix is killing the Greek patient. Original non-policy choices by EU authorities combined with the ECB's undermining act of December 2009 determined the outcome of this case.

Acting promptly and effectively would have signalled a self-confident *political will* to protect the Eurozone.[32] Yet, contrary acts prevailed. By emphasising the issue of timing, I expose the lack of commitment to resolve European financial difficulties, as evidenced in the EU's crucial initial inertia. Indeed, lack of timely acts to face the problem turned the "financial crisis into economic disaster" (Geithner 2014). On the basis of this a novel regime of *intra-EU domination* was erected. This consists in *intra-EU-debtocracy* which de facto abolishes democracy. The project of containing the Greek sovereign debt and borrowing crisis was undermined at source. I claim that the concerted communicative assaults and hostilities against "Greeks," "Greekness" and the "Greek state" are inadmissible against anyone, let alone Union partners. These intra-EU "attacking media processes" have sealed union-crushing agendas, causing irreparable divisions. Such reports make sense only as levers of inimical objectives (a) against selected victims and (b) the EU as such.

By launching vitriolic journalistic assaults such actors pursued material/financial gains and domination. They are still pursuing effective control of the Greek economy and its subjugation to global market champions' appetites. The launching premises of this combinational strategy reveal subversive hidden agendas, in the name of the EU, but going against it. The socio-economic and political outcomes triggered by such acts are tragic. The actual problems of Greece's borrowing impasse are still not removed and neither are corresponding financial dangers of the Eurozone, as a whole. The impact of such actions and in-actions is ominous, not simply for the crisis-stricken, but for the edifice of the EU *per se*.

The fact that Greece's sovereign debt *doubled*, since the beginning of the crisis, is the unshakable proof of the EU's absolute failure to defend itself. EU authorities proved themselves impotent or criminally irresponsible. By engaging the IMF in dealing with the Eurozone impasse, they relegated to it undue political power and responsibility. *Ipso facto*, they externalised and globalised EU affairs. Consequently, unaccountable global authorities, decide now about crucial EU policies which, nonetheless must be enforced nationally. This aberration constitutes a method of undermining democracy through splitting elected policy-makers from electorates and superseding jurisprudence and competences of legitimate authorities. *Ipso facto,* accountability and transparency are evaded. Ever since the eruption of the Eurozone crisis Europeans are more dependent and certainly less free.

Notes:

1. Roumeliotis (2012) explains why due to legal constraints Greece could not enter any bilateral agreement, e.g. with the IMF.

2. For a thorough discussion of tactics and politicking regarding 'rescue packages' to Greece see Overtveldt 2011, 83–84, 94–103, 107–108, 110–114.

3. See Peter Spiegel2014, also Sam Chee Kong 2013, "As of yesterday's closing Greek Government 10 year bonds yield 12.79 percent which can be considered very high."

4. According to vice-president of present Greek Government, Evangelos Venizelos"*Greece is a state with problems just like all the other European states. Do we have corruption problems? Yes, we do. But if look closely, behind every scandal in Greece you will unfortunately find that there is usually a large German company: Siemens, Ferrostahl, MAN, Daimler Chrysler… I wonder, who has the problem? Why is it only us?*" (*To Vima*, 6/02/2014). In an interview with ZDF New Democracy MP Dora Bakoyanni, former minister of foreign affairs, stated that "Germany gained 45 billions from the Greek crisis and lent it only 15 billions" (Bakoyanni 2012).

5. Evans-Pritchard, among others, advances the view of "politically and economically criminal" policies *The Telegraph*, (06/13/2013).

6. Figures and methods of calculating unemployment vary. For instance, if someone worked even a few hours during one month s/he is counted in as "employed." So, actual unemployment levels are higher. The Think Tank of the General Confederation of Greek Workers (ΓΣΕΕ) reports considerably higher unemployment rates. See Rombolis 2012.

7. Circumstantially, youth unemployment dropped slightly during the summer season of 2013.

8. At least twenty interlinked professions depend, allegedly, on "construction sectors," which are completely stalled. These groups are now unable to work. Besides, housing and shopping properties stand unsold or unrented for over three years.

9. Among firms and politicians corruption is allegedly far worse in Germany. For instance, numerous politicians were disgraced over the last decade, while several German firms are involved in ongoing trials for corrupting Greek ministers, politicians and functionaries (see Note 4). Prime Minister George Papandreou stated that Greece is a "corrupt country." His statement was opportune for exploitation by media, which levelled accusations against corrupt Greek society. They did not accuse our common European corrupt political economy system. Papandreou did not mention corrupting pressures exerted by European champion firms, nor his being blackmailed by them but also by EU leaders. However, MEP Daniel Cohn-Bendit did reveal concrete cases inside the European Parliament (Cohn-Bendit 2010). Politicians and embedded media emphasise

selectively a "generally shared guilt" which is both wrong and false, as it is polemical. The ensuing financial crises in other periphery economies demonstrated similar falsehoods and mistakes (see Müller 2012/13, Kotrotsos 2013; Papademetriou 2013; Perakis 2013).

10. For the theory of "non-decision-making" see Bachrach and Baratz 1970 and Lukes 1974/2004. In a monarchical manner Angela Merkel voiced the view, in 2010, that indebted member states should be excluded from voting in EU decision-making processes.

11. See also *Der Spiegel Online* 2014. A host of *ad hoc* studies projected this danger, such as the one carried out by UBS (Union de BanquesSuisses) at this time.

12. In February 2012 interest rates were adjusted to 1.5 percent above Euribor.

13. A legal case is pending in the Greek courts against the head of the Greek Statistical Office for "altering" calculating methods, so as to deliberately raise the nominal Greek public deficit for it to fit invocations of higher indebtedness and corruption under pressure from Eurostat.

14. In a study presented in the 2011 IAMCR conference in Istanbul, I examined with Dimitra Dimitrakopoulou how three European globally transmitting channels covered the Greek crisis in the Spring of 2011. Content analysis focused on structures, "thematics," phrases and frames (Kaitatzi-Whitlock and Dimitrakopoulou 2011; see also Kaitatzi-Whitlock 2012).

15. Thomas Landon, Jr. was among the first journalists to predict Greece's crisis in January of 2009 (Landon 2009).

16. They include credit ratings agencies such as Merrill Lynch, Moody's, Standard and Poor's and Fitch, but also individual economists. One needs to examine the events of 2009–2010 against the background of the immediately preceding collapse of key financial establishments and their rescue by public money after the 2008 financial crash (see Talbott 2009).

17. "Stories" included insults, for example the infamous front-page of "*Focus*" picturing "Aphrodite of Melos" or vulgar appeals to xenophobic sections of German society.

18. These included a significant interview by David Marsh for *Handelsblatt* with former Chancellor Helmut Schmidt (Marsh 2010) and M. Thumann and M. Krupa's article in *Die Zeit:* "Esisteineandere Form des Terrors, die Angst, vom Marktgejagtzuwerden, die Angst vor den großen Risiken der Finanzkrise" (*Die Zeit* 2010).

19. See papers presented by the author at IAMCR Hamburg 2010 and Istanbul 2011conferences. Content analysis for the latter was conducted for April–May 2011.

20. Such a "colonial contract" entails that whatever surplus is made must go directly to lenders and not to poverty-stricken citizens.

21. Ulrich Beck: "Germany Has Created an Accidental Empire," *Social Europe* 25/03/2013. Articles appeared, among others, in *The Guardian, The New York Times, The Nation, The Telegraph,* on Bloomberg, and on CNN.

22. The absence of corresponding, inverse practices made this all the more glaring. Extremely few media in Europe relayed "reports," "representations" or "informed opinion" of events from the Greek perspective.

23. Mega Channel, Antenna TV, Skai TV, Star and Alpha.

24. Newspapers belonging to this broader category are: *Eleftherotypia, Ephimerida ton Syntakton, Avgi, Pontiki*, but even the much larger circulation week-end paper *Real News.*

25. The OECD half term report predicts recession in Greece for 2014 and 2015.

26. *Public Issue* poll, 2013, widely reported in the press.

27. Michalis Chrisochoidis, Minister of Infrastructures, Transport and Networks and a PASOK MP, admitted publicly in Parliament that he signed the first Memorandum with the Troika without having read it.

28. *Metron Analysis* poll, April 2014, widely reported in the press.

29. On problems regarding sustainability of the Single Market see Woolcock 1997.

30. Mandravelis Vaggelis, (2014), 'Transmission Rights of Champions League and Europa League to OTE-TV', (Kathimerini, 07/10/2014: 21). Indicatively, after a *coup d'état* type of closure of the Public Service Broadcaster, ERT, in 2013, the lucrative Greek football league games' transmission rights went to Deutsche Telekom (via its subscription channel OTE-TV). According to Kotrotsos (2013) "they are 'packs of wolves' ready to devour the country."

31. Nobel prize laureates Joseph Stiglitz and Paul Krugman, as well as Yanis Varoufakis and several other economists have written repeatedly about the un-sustainability of the "bailout programme" and Greece's sovereign debt.

32. The fact that the EU brought in an external agency to cope with its mess is problematic.

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PORTUGAL AT THE EYE OF THE STORM: CRISIS, AUSTERITY AND THE MEDIA

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Abstract

The governmental change which took place in Portugal after 2011 was far more than just a new episode in the typical rotation between the two major political parties given that it occurred whilst the country was initiating a three year period of external financial control. As such the three political forces actively engaged in this rough transition have consistently pursued a stern austerity strategy imposed by creditors. This uneven platform (shaped by submission rather than by accord) has been the breeding ground for a discourse centred on the existence of a broad national consensus in support of the adopted draconian austerity measures. Irruptions of dissent have been met with contempt and have been dismissed as self-interested opinions or even as anti-patriotic. This article has four main parts. In the first one, the fundamental features of the economic and financial crisis and its consequences will be presented. In the second part, the political impacts and challenges of the crisis will be scrutinised. The political and economic impact is closely articulated with the current situation of mainstream media that is presented in the third part of the paper. As we will see in the last part of this article, a particular combination of factors in a country without financial sovereignty has created the perfect conditions for media reproduction of the government and creditors' discourses.

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Introduction

The governmental change which took place in Portugal after 2011 was far more than just a new episode in the typical rotation between the two major political parties given that it occurred whilst the country was initiating a three year period of external financial control by the troika (European Commission, European Central Bank and the International Monetary Fund). The socialists negotiated the financial package having already resigned and the social-democrat lead coalition was voted into power on the basis of promises it could not keep (namely on taxation, salaries, and pensions). As such – even when efforts were made to create a separation between them – the three political forces actively engaged in this rough transition have consistently pursued a stern austerity strategy imposed by creditors. This uneven platform (shaped by submission rather than by accord) has been the breeding ground for a discourse centred on the existence of a broad national consensus in support of the adopted draconian austerity measures. Irruptions of dissent have been met with contempt and have been dismissed as self-interested opinions or even as anti-patriotic.

The mainstream media's adhesion to this government fuelled discursive construct owed as much to traditional dependencies between media and power structures – in November 2012 the Prime Minister, Passos Coelho, would remark that journalists should shy away from a "sickening debate" on "what might go wrong"[1] – as it did to three interconnected and overlapping processes: problems derived from mounting challenges arising from digitalisation, the effects of the financial crisis itself on media revenues, and the changes in their property and management structures ensuing the steady entry of Angolan capital.

For these reasons mainstream media's attention has not strayed from a fundamentally inward looking focus – even in the usage of external references to Portugal's situation – hence being on the whole unable to open up space for broader debates on mid and long terms European options.

This article has four main parts. In the first one, the fundamental features of the economic and financial crisis and its consequences will be presented. In the second part, the political impacts and challenges of the crisis will be scrutinised. The political and economic impact is closely articulated with the current situation of mainstream media that is presented in the third part of the paper. As we will see in the last part of this article, a particular combination of factors in a country without financial sovereignty has created the perfect conditions for media reproduction of the government and creditors' discourses.

Recipe for Disaster

"There is probably nothing more difficult to explain in our [Portuguese] economic policy over the last four or five decades than the decision to join the Euro," says João Ferreira do Amaral, a professor of Economics and a long standing critic of the Eurozone, in the book "Porque devemos sair do Euro"[2] (2013, 93). Like others opposed to the Euro and the end of the monetary independence with the disappearance of the national currency, Amaral says that the country has lost the possibility of correcting external imbalances based on currency depreciation and links this to some other misconceptions that created a consensus around the Euro in the 1990s (2013).

One misconception was the idea that a single currency would provide the Portuguese economy with a protective umbrella against global financial instability. This was clearly a misguided perception of the European Institutions as their subsequent functioning has embodied a neo-liberal programme and diverged away from any progressive "Social Europe" or European "community" agenda, orientated towards the defence of human rights, social cohesion and full employment (2013, 93).

Moreover, the Eurozone has destroyed the nation-states' well-established stabilising economic mechanisms and has forced less competitive economies to operate under the rules of a strong currency and policies designed to serve interests of the locomotive of Europe, Germany. The Eurozone did not protect peripheral countries as surplus capitals from Central and Northern economies have flooded the country due to low interest rates and intense external push for credit taking. In the mid-1990's the Portuguese families and companies were below the European average in terms of indebtedness levels but the institutional "official optimism" actively promoted credit-taking and invigorated the banking sector.

The second relevant misconception developed around the notion that Eurozone institutions were created to provide extra credibility and reputation to the European monetary institutions. Contrary to many prior claims, low interest rates did not prove to provide any singular benefit or blessing. The influx of credit has coincided with the expansion of markets globalisation, which had a dramatic impact in Portugal. Being a less sophisticated economy, its more traditional exports (e.g. textiles) collapsed under the pressure of emerging economies such as China. The enlargement of Europe to Eastern European Countries (with low wages and high qualified labour force) has also created additional difficulties to the Portuguese exports. In this context, the low interest rates capital did not serve the country's external competitiveness but the expansion of internal consumption and non-tradable products such as housing and services. The economy became reliant on imports and services fuelled by the expansion of easy credit.

Indeed, as Rodrigues and Reis (2012, 191) point out, the co-existence of credit-led and export-led models of growth in Europe "ultimately led to the creditors gaining the upper hand against divided debtors," imposing deflationary policies that increase unemployment, the probability of defaults, and the possibility of ever greater political tensions. So, when the financial and economic crisis became shockingly evident in 2008, the fractures between core and periphery in Europe became even more obvious. The European institutions, led *de facto* by Germany, defended the interests of the financial institutions and the crisis has been dealt with via the socialisation of debt and "adjustments" in the labour market. For critics such as Rodrigues and Reis (2012, 189), one core problem is that the Euro comprises "a currency without a sovereign state on the same scale" and this means that there is little capacity for managing imbalances or tensions in a way that avoids "turning labour and social conditions into the main variables of adjustment to crises" (Rodrigues and Reis 2012, 189). This is precisely what has happened in the Portuguese case.

The already difficult economic situation deteriorated rapidly during the most acute phase of the financial crisis from 2008 to 2010. Unable to cope with a mounting public debt and market speculation, the socialist government led by José Sócrates announced severe austerity measures in 2010 (taxes, cuts in public services, etc.) to reduce the state deficit that had reached 9.4 percent in 2009, one of the highest in the Eurozone. Under national and international pressure the socialist government did not resist as one of the proposed austerity packs (the 4th Stability and Growth Program) was not approved by Parliament on March 2011. In these circumstances, José Sócrates resigned paving the way for the troika intervention in yet another European country.

This external intervention from the troika was enthusiastically supported by the right-wing parties that gained a Parliamentary majority in the 2011 elections (Social Democratic Party and Popular Party). Despite the profound differences between Portugal, Greece and Ireland (and the nature of their economic problems), the recipe was basically the same: rapid budgetary adjustment, labour market flexibilisation, changes in the housing market, cuts in social provisions and privatisation of state property. The May 2011[3] Memorandum of Understanding was framed by the governing parties and by the media as "foreign help" to the Portuguese state as we will demonstrate later in this article. In mainstream media and political discourse, there was an overarching consensus regarding the need of this "help" and there was a popular belief that this "support" would bring about better living conditions. During the electoral campaign, the present-day (2014) Prime Minister, Pedro Passos Coelho, promised that salaries would not be cut and taxes would not be increased. The opposite has happened and severe austerity measures were implemented.

The administration of this remedy was profoundly violent for the vast majority of the population. The March 2014 report of the National Statistics Institute[4] concerning "Income and Living Conditions" says that in 2012, 18.7 percent of the population (around 2 million) live below the poverty line with a monthly income of 400€ or less. This is the highest level since 2005 and it represents an increase of 17.9 percent compared to 2011. Another concerning poverty indicator relates to families with children. According to INE (24 March 2014, 1), the poverty risk is particularly acute for mono-parental families with one child (33.6 percent) and families with two adults and three or more children (40.4 percent). These cold figures explain news about children who fainted at school due to malnourishment and it also partly explains the increasing efforts of school communities and civil society associations to provide food in various ways for children and their families even during holiday periods.

The latest report on living conditions however does not merely speak about the impoverishment of the population. Indeed, not everybody's situation is getting worst. Some of the biggest economic groups such as *Jerónimo Martins* and *Sonae* (*Jornal de Negócios,*[5] 25 February 2014; *Público,*[6] 19 February 2014) saw their profits rocket from 2012 to 2013. According to the President of AMI (*Assistência Médica Internacional*), Fernando Nobre, the situation is alarming: "over the last year the 100 richest persons in Portugal saw their fortunes increase by a 1/3" (in *Diário Económico,*[7] 26 March 2014).

Poverty is inexorably linked to unemployment, the most dramatic development of this sovereign debt crisis. Portugal's unemployment was 3.9 percent in 2000 and it increased steadily ever since hinting at the structural difficulties of the economy within the Eurozone. In 2010 (with austerity measures already in place but without the troika), the figure went up to 10.8 percent and it has expanded steadily since then: 12.7 percent in 2011, 15.7 percent in 2012 and 16.3 percent in 2013.[8] According to INE, in the last three years of official figures (2010, 2011 and 2012), 563.000 jobs were lost.[9] In 2012, young people (aged 25 to 34) were the most affected in terms of job losses.[10]

Poverty, unemployment, job insecurity are profoundly linked with the massive migration of highly qualified young people to European countries, Angola, Mozambique, Brazil and other destinations. This is the biggest outgoing flow of Portuguese population since the 1960s when the authoritarian regime led by Oliveira Salazar ruled the country. It is estimated that since 2008, more than 100,000 people left the country every single year. According to INE demographic figures, in 2012, 51,958 people left the country for more than a year (long term migrants) and 69,460 left the country for a period between 3 months and 1 year (temporary migrants) (INE, 2013). For a country of 10 million people, the migration of more than 100,000 people per year (mostly young and educated) is bound to have a major impact on its future prospects. This outflow is not in any way compensated by an non-national population influx (for more, see INE 2013). Concomitantly from 2001 to 2012, the birth rate in Portugal has steadily declined. The latest official figures (2012) show that this decline has reached an historic low of 89,800 births per year, the smallest figure since the year 1900 (INE 2013, 38).

Thus in summary terms, migration, unemployment and the unprecedented reduction of social rights are the most obvious signs of the so-called "adjustment" process and such fundamental shifts imply a structural change in societal power relations. In 2014, poverty has increased whilst the public debt has expanded to a record 129 percent of the GDP. The politicians' discourses on the success of the troika intervention and heroic adjustment of the country are struggling with reality as the vast majority of the population perceives it.

Institutions against Citizens

The Memorandum of Understanding[11] signed in May 2001 by the troika and the Portuguese state, namely by the outgoing Socialist Party and the incoming centre-right government parties (Social Democratic Party and Popular Party) is the centre-piece of the austerity policy. Under fierce market speculation and struggling to avoid bankruptcy, the country handed out its sovereignty and asked for a financial "rescue" programme. The €78.000 million loan programme was attached to austerity measures encompassing all governmental sectorial areas from fiscal policies to education. Financial assistance was made subject to quarterly reviews to be carried out between the first quarter of 2011 and (the 12th and last) the second quarter of 2014.

As in other EU states, this detailed Memorandum of Understanding sets out very specific targets for reduction of state expenditure and revenue increase, namely through the "sliming" of the state's functions and social security provisions and the generalised and substantial hiking of taxation. Moreover, the document describes the privatisation programme naming the companies that should be privatised. The labour market and education are thoroughly inscribed in the document well in line with the neo-liberal frame that underlines the programme: flexibilisation of labour conditions, precariousness, cuts in unemployment benefits, matching human capital with labour market.

The social democrats – which took power in the June 5th 2011 elections – have used the memorandum as part of the electoral strategy putting the programme under a constructive light. The enthusiasm for the programme was such that the elected Prime Minister publicly said that the State would be able to "go beyond the Troika" (*Público*, 6 June 2011). Pedro Passos Coelho explained that the country did not wish to be a "burden to (our) partners" and therefore it would do "whatever necessary" to fulfil all commitments and "regain the trust of the markets" (*Diário de Notícias*,[12] 6 June 2011).

Despite the signing of the Memorandum of Understanding, the Socialist Party (led by António José Seguro between the 2011 legislative elections and late 2014) soon started to drift away from subsequent policy initiatives. The socialists favoured a different path to fulfil the Memorandum's objectives. Still, their role has been quite ambiguous given that any serious attempts to further distance themselves from the austerity measures has been met with an effective two-pronged accusation: they were the ones who signed the agreement with the external entities and they were the ones who lead the country to a situation whereby assistance was inevitable.

However simplistic these arguments may seem the fact is that for the most part they have been sufficient to paralyse the socialists, the biggest opposition party, hence creating the notion of a broad consensus amongst the three main parties of the so-called "arch of power" (the Popular Party, the Social Democratic Party and the Socialist Party). Openly alternative thinking in Parliament could only be found amongst the two leftist parties: *Bloco de Esquerda* (Leftist Block) and the Communist Party, both of them not truly perceived as governing alternatives.

The "manufacture of consent," to use the famous notion of Walter Lippmann (1922/2012) has not been promoted merely by the governing parties with the complacency of the Socialist Party and the mainstream media. The President of the Republic, Aníbal Cavaco Silva, has been a key figure in the process. Despite some initial hesitancy, Cavaco Silva has more recently been voicing a strong defence of the troika measures and the inevitable deepening of austerity in the post-troika period, that is, after 2014. In March 2014, he has published a Preface of *Roteiros VIII*[13] where, once again, the Portuguese people were asked to remain peaceful, accepting the inescapable payment of the public debt in full, along an arduous path to be undertaken at least until 2035.

Furthermore, this impetus to promote a wider political consensus has also enlisted the President of the European Commission until late 2014, Durão Barroso (a Portuguese himself) who has often argued for the need of a post-troika governing arrangement between the three "arch of power" parties (*Expresso*[14] 29 March 2014, 8).

According to this discursive frame, the Portuguese people are suffering the austerity measures because they have not been financially responsible in the past and should in the future behave along the lines of the Germans: "Instead of criticizing Germany, let's do what Germany has done. It has reformed itself and today the country can be tranquil. Portugal has a fantastic opportunity to become a modern country, to transform this crisis into an opportunity" (Barroso in *Expresso* 29 March 2014, 8).

Whilst high office politicians incessantly advocated meekness in face of inevitable austerity measures, signs of resistance began to emerge namely through recurrent street protests. To a growing number of people it became difficult to absorb the rationale behind a statement like the one made by the Parliamentary leader of the Social Democratic Party, Luís Montenegro: "people's lives are not better but the country is."[15] The schizophrenic division between the "people," living in worst conditions, and the "country" that is, in Luis Montenegro's view, performing better (the trade balance has improved and interests rates are lower) sheds light onto the understanding of a political system whose central axis has shifted away from the community that it is supposed to represent.

Not surprisingly, the gap between government (and political parties) and citizens has been widening, as politicians seem gradually detached from everyday difficulties. In addition to the more notorious public demonstrations (mostly orderly), the popular distrust can also be discerned in the electoral success of independent candidates in the 2013 local elections. Around 7 percent of the local government independent candidates won seats.[16] The vice-president of the National Association for Independent Local Government Movements, Maria Teresa Serrenho, considered that the increase in independent seats reflected the "desolation of citizens" with the political apparatus.[17] Even if political analysts have pointed out that some independent candidates result from internal party divisions, the victory of non-partisan candidates demonstrates that parties themselves were not understood as a critical backup for those candidacies. Independent candidates, for example, now run important cities such as Oporto and Matosinhos.

The mainstream media replication of the official discourse didn't help citizens to decode the reasons behind the dramatic changes taking place in their lives. However, a more informed and intellectually sophisticated consensus has been evolving in the Portuguese society around the recognition that austerity measures are aggravating (not solving) the economic problems themselves and that the external public debt needs an efficient restructuring process. On the 12th of March 2014, 74 well known personalities from the most diverse ideological backgrounds came to the fore with a Manifesto "To prepare the debt restructuring for a sustainable growth" (in *Público* 12 March 2014, 4–6). The 74 personalities included economic advisors to the President of the Republic, former finance ministers from different political sensibilities, representatives of both labour and business associations, academics, intellectuals and others.

The main argument of these 74 personalities is that the response to the present-day crisis cannot succeed without addressing the public debt in articulation with the economic growth and job creation within a framework of cohesion and effective solidarity (in *Público* 12 March 2014, 4).

The Manifesto has unleashed a massive negative response from the government and opinion makers alike. The President of the European Commision, Durão Barroso, has also come to the fore to criticise two former finance ministers from social democratic-led governments, Manuela Ferreira Leite and Bagão Félix, for having signed the Manifesto (*Expresso* 29 March 2014: 07). He has explained their decision to sign the Manifesto as a result of the loss of income they had personally suffered: "both Manuela Ferreira Leite and Bagão Felix represent a certain middle-class that lived relatively well but they were hit by this situation" (*Expresso* 29 March 2014, 7)

In the words of Manuel Carvalho, the irritation the Manifesto has caused is the best proof of its relevance and success: "For once, Portugal is debating its future outside the frame imposed by the government. For a moment, one is back to the political debate only to realize that there is life beyond the official truth and the conditioned debate by the markets susceptibilities" (Carvalho in *Público* 16 March 2014).[18]

Fragile Mainstream Media

In late March 2014 a Portuguese junior minister asked a group of selected journalists to attend a private briefing at the Finance ministry on pensions and civil service pay cutbacks planned for 2015. The journalists all agreed to use comments made in that room without quoting the source ("official ministry source" was the preferred formulation) and to respect a specific time embargo. When the "news" was eventually published the prime minister himself promptly dismissed it as "noise" and as "manipulation" and two distinct senior ministers referred to it as no more than "speculation."[19] The editors of the seven media outlets, whose reporting had been put into questioning, immediately issued a joint statement guaranteeing that their journalists abided by the formal agreement jointly made with the junior minister.[20]

This brief summation of what naturally was a far more intricate affair is brought forward as an example of the current frailty of editorial decision-making in Portugal; journalists increasingly accept a diminished role in the news-worthiness framing of the agenda, and increasingly accept a role as conduits of governmental "testing-the-waters" communication strategies (Maarek 2007). The seven media outlets which have accepted to play an active part in what has eventually surfaced as a botched spinning manoeuvre are simply the country's most important dailies (*Correio da Manhã*, *Jornal de Notícias*, *Diário de Notícias*, and *Público*), the national news agency (Lusa), and two very relevant economic publications (*Diário Económico* and *Dinheiro Vivo*).

If we were thus to look upon this with the useful conceptual contribution of Hallin we would note that on this particular issue the bulk of media production veers away from a "sphere of legitimate controversy" privileging instead a "sphere of consensus" one (1986, 116–117). Yet, unlike the situation lived by American journalists after September 11, in which "they felt connected and important to their audience (…) they felt appreciated as they rarely do" (Schudson 2008, 82–83), the consensual "we" appears in this instance to connect them to political and economic elites rather than to their audience.

The Portuguese media's pre-emptive efforts to disclose the potential problems of ailing national banking institutions, of stressed real estate markets or of struggling public accounts in the first years of this century were not very adamant (with a very few notable exceptions[21]) and the "sudden" appearance of a crisis from 2008 onwards dented credibilities. The media responded by substantially increasing attention to financial and economic topics whilst adopting a stance that promoted notions of national guilt and the ensuing necessity to "pay our dues." In an assessment of journalistic performance before the crisis, the Economy editor of a national TV channel, Luis Ferreira Lopes, would write: "in the future we must all act faster (…) the issue of trust is increasingly more important for the banking business but also for the TV business" (2009, 41).

A recent study analysing the main news bulletin of a national TV channel, SIC, between 2007 and 2011, noted that two categories – "financial crisis" and "economy and business" accounted for 68.4 percent of all the news stories and that in 28.9 percent of those bulletins they were given opening status. "Financial crisis" occupied in 2007 1.4 percent of the total time of the bulletins and by 2011 it accounted for 8.7 percent of the total time (Fragoso 2013, 99–107).

The perceived lack of valuable information thus gave way to an overflow of information; suddenly households were surrounded by news regarding rating agencies, the "weight" of national debt – often presented through the "each Portuguese owes X to foreign creditors" formula – subprime or toxic investments. From 2010 onwards the mainstream media increasingly confronted the eroded minority socialist government voicing both political opposition concerns and social uneasiness resulting from the first austerity measures. It would later emerge that a significant part of that shift was linked to a deliberate effort – in both specific media outlets but also in digital environments, like blogs and social networks – to promote the profile of the social democrat alternative to government (Carvalho 2013).[22]

The excessive proximity between a newly elected majority government and mainstream media is not exactly a novelty within the Portuguese political context (Cunha 2013, 25). That should however neither keep us from noting the particularities of the current situation nor from equating them in the context of a broader analysis of media discourse surrounding the on-going financial and economic crisis.

Indeed, Portuguese mainstream media's endeavours to reverberate the existence of a broad national consensus on key aspects of the government's strategy to deal with the crisis – the semantic preference for "savings" in lieu of "cuts," the emphatic usage of specific frames like "the overgrown/fat State," "the unmanageable social security system," or the "rationalisation of services," the deliberate increased profile given to financial related themes and actors, the de-personalisation of national creditors (mostly mentioned as "financial markets" or "investors"), and also the active involvement of journalistic national household names in the publication of books with titles like "Enough!," "Get out of the way!"' or "My government programme" – result from a very peculiar combination of debilitating processes of change affecting the media.

The first of these processes is what might broadly be described as Portuguese media's poor handling of the digitisation induced transformations occurred since the beginning of this century.

Although some of the major media outlets did manage to have an online presence in tandem with internationally known operations (the first recorded presence, *Jornal de Notícias*, occurred in 2005) very few steps were taken to evolve past a shovelware strategy (Bastos 2010) and most significantly a severe undervaluation of the internet's potential for the creation of thematic information driven outlets and for autonomous small ad spaces resulted in an overall erosion of audience and revenue.

It should in fairness be pointed out that most Portuguese media groups emerged only in the 1990's and their primary goal in the first years of existence – adhering to an EU vision of media centred on economic rather than socio-cultural interests (Michalis 2011) – was to respond to the challenges of an overproduction and increasingly deindustrialisation scenario already under way in other countries (Meyer 2004; Brock 2013). The impetus was directed at platform convergence initiatives (sometimes cooperative and sometimes competitive) in order to reduce costs. At the heart of some of these changes were news production reformulations with profound labour relations impacts, like the alteration of job descriptions, working schedules and payment structures. This in turn favoured the beginning of the externalisation of services and the increased dependency on freelancers and interns (Garcia 2010).[23] If anything the ensuing financial and economic crisis only accentuated the corrosive effects of these measures on journalistic production.

The second process is the context of financial and economic crisis itself. The disappearance from the Portuguese economy of an estimated 29 B€ (resulting from imposed austerity measures) between 2011 and 2015[24] naturally had a severe effect on internal consumption indexed activities like advertising and media content production, compounding a debilitated situation which had been noted at least since 2004. In the timeframe of a decade – 2004 to 2013 – the Portuguese advertising market was cut by nearly half (from 720 M€ in 2007 to 390 M€ in 2013) and the combined revenues of the three publicly traded Portuguese media groups (*Impresa*, *Media Capital* and *Cofina*) were cut by 35 percent. These three groups suffered losses of 80M€ in 2008 and 29M€ in 2011, partially offset by gains of 11M€ in 2012 and 25 M€ in 2013 (Nobre 2014).

A comparative study of the share value of 29 media groups listed in the stock markets of Greece, Portugal, Ireland, Italy and Spain between 2007 and 2012 found that the average loss of value exceeded 20 percent. Portugal's groups performance was as follows: Impresa's value decreased 85.51 percent, Media Capital's decreased 80.5 percent, Zon's decreased 63.51 percent, and only Cofina's rose by 43.9 percent (Fernández 2013,121).

According to the Portuguese circulation association (APCT) between 2008 and 2013 the overall circulation of the main national newspapers declined substantially; *Correio da Manhã* lost 3.85 percent, *Diário de Notícias* lost 49.94 percent, *Jornal de Notícias* lost 34.16 percent, *Público* lost 37.13 percent and the main weekly, *Expresso*, lost 20.89 percent.[25]

Facing a severe decrease in advertising revenue and an accentuation of a tendency for audience loss, debilitated media groups have been forced to "talk about restructuring without liquidity" (Fernández 2013, 122) enhancing convergence/cost reduction initiatives and favouring content strategies less devoted to the more expensive production of hard news and much more in tune with an attention to entertainment spirit (Campos-Freire 2011).

The third process relates to Portugal's colonial past and it results from the propitious combination between the severe short-term financial difficulties of the major media groups and the notable investment interests of the Angolan political and economic elite.

The notion that this restricted elite should take it upon themselves to hasten a "primitive accumulation of capital" – as explained by the President, José Eduardo dos Santos, in a "State of the Nation" address to Parliament in October 2013 (Santos 2013, 13) – had been promoted internally since 2002 and its expansion and diversification rationale targeted Portugal's ailing building, real estate and banking businesses as apt investment opportunities from 2007 onwards.

The newfound proximity, between penurious businesses of a former colonial power and the ebullient elite of a former colony was actively promoted by a broad spectrum of Portuguese politicians, some of them eventually being deemed appropriate to integrate managing boards or advisory boards in the existing or newly founded companies (Costa et al 2014, 97–101).[26]

The presence of Angolan capital in Portuguese media groups began in 2009 and has been growing steadily ever since. In the absence of a single clear cut explanation for the strategic combined entry of several formally distinct Angolan entities a few signs should be highlighted; first and foremost, Angolan investments in the Portuguese banking sector implied the acquisition of a creditor position with indebted

Portuguese media groups; secondly, media production on mutual interest matters has always been perceived by both countries (at least by both countries elites') as very relevant, sometimes in a somewhat over-sensitive manner.[27]

The intricate web of relations created by Angolan capital in Portugal between the interests of those closest to the economic and political elites on both countries added content frailty to an already debilitated sector. These acquisitions have no doubt played a role in both the increased prominence of overtly positive narratives about Angola and its entrepreneurship but also in the disappearance (or marginalisation to autonomous websites) from the media agenda of dissenting voices.

By the same token, selective changes in managerial boards and even editorial leaderships ensured the maintenance of a less than hostile stance towards the current Portuguese government. Going back to the seven media outlets quoted earlier it should thus not be surprising to say that five of them belong either to Cofina or Controlinveste, both now controlled by Angolan capital.

Hopeless Mainstream Discourses

In November 2012 the New York Times published in the Europe section of its international news site a photographic gallery entitled "Portugal passes another austere budget." Each of the 17 black and white photos tells an individual story of strife against the consequences of the crisis; under an image of Rosa Serra Pereira, a middle-aged woman who lives in a small Lisbon apartment with six dependents, we can read: "In Portugal, austerity means that hospitals are closing, and state benefits, public wages and pensions are being cut. New taxes have been added and old taxes increased." Under a photo of homeless men gathered outside a church where free food is distributed we read: "The government had been winning praise from international lenders who last year negotiated a bailout worth about $101 billion, following similar deals with Greece and Ireland."[28]

Having been presented just two weeks after a major general strike, which joined Portugal and Spain, this news feature – described by the most influential weekly, *Expresso*, as a bleak portrait of the country[29] – had a considerable impact, to the point of being mentioned by politicians and political commentators alike.

Especially from 2011 onwards news produced by foreign media about Portugal's financial, economic, and social situation generally became very relevant to internal political discussions. A country with diminished sovereignty, ruled by a very compliant government with the acquiescence of a debilitated mainstream media developed a necessity – on different sides of the political and social debates – to seek out some sort of reassurance in those external reports. As such, news about the overall governmental success in attaining the goals jointly set out with the troika would naturally become as useful in the defence of the adopted strategy as much as news prompted by less favourable descriptions of Portugal's dire situation would fuel opposition claims for a significant policy change.

Most favoured by both camps would become the opinions of internationally reputed economists – Nobel laureates acquiring a rather special status. Paul Krugman, for instance, devoted some of his New York Times columns to Portugal from 2011 through to 2013, with a very significant impact. In January 2011 he would "announce" that Portugal would be "the next eurodomino,"[30] a few months later he would state that Greece, Ireland, and Portugal "would not be able to pay their debts in full,"[31] and roughly a year later, on receiving a *Honoris Causa* Doctorate from Lisbon University, he would add that Portuguese salaries should devaluate some 30 percent.[32] By May 2013, under the heading "Nightmare in Portugal," the 2008 Nobel laureate would reflect on a dire portrait of the country published a few days earlier by the Financial Times by saying: "Don't tell me that Portugal has had bad policies in the past and has deep structural problems. Of course it has; so does everyone, and while arguably Portugal's are worse than those of some other countries, how can it possibly make sense to 'deal' with these problems by condemning vast numbers of willing workers to unemployment?"[33]

Portuguese mainstream media attention has thus not strayed too far from an excessive inward looking focus, capturing into the discourse on the crisis most relevant external references to the country and recuperating, in a peculiar manner, traces from a self-doubting discourse on the worth of the nation first enunciated more than a century ago (Queirós and Ortigão 1873/2004, 312).

Notable exceptions to this predominance were references to other European countries in difficulties (PIIGS) – especially the broad "we are not like Greece" topic – the election of François Hollande for the French Presidency in May 2012 (given the perception that it would soften Germany's overbearing influence in European financial and economic decisions), European Central Bank policy decisions, and EU summits where common strategies to deal with the crisis have been debated (namely the topic of debt mutualisation). Discussions on broader issues of European policy and especially debates on other than short-term alternatives have been on the whole side-lined from mainstream media, finding their way into thematic programmes on cable TV news channels or into sparse items on specialised business newspapers/magazines.

This peculiar take on events and the apparent lack of attention to larger forward looking strategies for the EU is, however, not a great departure from what had happened in pre-crisis years. Indeed Portugal has always been portrayed by mainstream media (and perceived by most citizens) as a peripheral country allowed to enter a special group at the expense of some part of its sovereignty. Europe has, in that sense, traditionally been much more of an external entity with increasing power over national affairs (and indeed daily life) than as a "part of us."

Concluding Remarks

In this article we tried to clarify the fundamental features of the economic and financial crisis in Portugal and its socio-political consequences. We have seen how deeply the crisis has affected common people with a dramatic increase in poverty, unemployment and migration. Some dimensions of the crisis are more difficult to measure and to demonstrate with figures but there are numerous reports and statements from state officials and academics alike, which highlight the increase in suicide rates, the increase in medicine consumption (e.g. anti-depressive) and dissatisfaction with labour conditions. Obviously, it is difficult to establish a direct link between crisis and health. However the Health Minister, Paulo Macedo, has publically stated several times that the crisis is having an impact on Health.

The precariousness of labour conditions (praised by the troika) and the reduction of advertising revenues have also complicated the already fragile media sector and the journalistic reporting of the crisis. When the economic and financial crisis hit the Portuguese media, the hardship was already there. The economic stagnation over the previous decade (since Portugal joined the Eurozone) did not favour the development of alternative business models and the Portuguese media had serious difficulties dealing with the digitalisation and the migration of attention from traditional media to online platforms. Whilst struggling with the new multi-platform environment and increasing fragmentation of attention, the economic and financial crisis has severely deepened the already existing problems particularly via the reduction of advertising revenues.

In addition, the media were exposed to the direct and indirect, overt and covert, investments of Angolan elites in the Portuguese media since 2009 causing much speculation and uncertainty in the newsrooms as ownership and editorial lines frequently became difficult to read for journalists and the public.

Blurred objectives, job insecurity, and the increase of daily pressure due to the reduction of newsrooms created the perfect setting for a less critical journalism. The troika and the "arch of power" discourses were basically absorbed and reproduced by the mainstream media. Alternative discourses did exist but they were either marginalised or framed as radical (anti-patriotic even). Differently from social network movements and street demonstrations,[34] generalist and economic media have been part of the "manufacture of consent" about the troika's programme.

Notes:

1. http://www.ionline.pt/artigos/portugal/passos-coelho-critica-comunicacao-social-destacar-pode-correr-mal-portugal/pag/-1 (25 March 2014).

2. The title "*Porque devemos sair do Euro*" might be translated as '"Why should we leave the Euro." The authors are responsible for all translations in this paper.

3. Portugal: Memorandum of Understanding on Specific Economic Policy Conditionality, 3 May 2012 (Agreement signed by the European Commission, European Central Bank and the International Monetary Fund and the Portuguese State). http://www.portugal.gov.pt: accessed in 28 March 2014.

4. INE (Instituto Nacional de Estatística). Destaque, Rendimento e Condições de Vida 2013 (dados Provisórios) 24 March 2014, 1–15.

5. *Jornal de Negócios* is a daily economic newspaper.

6. *Público* is a generalist daily newspaper.

7. *Diário Económico* is daily economic newspaper.

8. Data from The National Statistics Institute and Pordata, INE/Pordata,www.pordata.pt: accessed in 27 April 2014.

9. INE (Instituto Nacional de Estatística). 2014. Destaque, Anuário Estatístico de Portugal 2012. 7 February 2014, 5.

10. INE (Instituto Nacional de Estatística). 2014. Destaque, Anuário Estatístico de Portugal 2012. 7 of February 2014, 5.

11. Portugal: Memorandum of Understanding on Specific Economic Policy Conditionality, 3 May 2012 (Agreement signed by the European Commission, European Central Bank and the International Monetary Fund and the Portuguese State). http://www.portugal.gov.pt: accessed in 28 March 2014.

12. *Diário de Notícias* is a daily generalista newspaper.

13. Roteiros VIII is published in the President's official site: http://www.presidencia.pt/ accessed in 30 March 2014.

14. *Expresso* is a weekly generalist newspaper.

15. Interview to *Jornal de Notícias* in 21 February 2014 in http://www.jn.pt/live/entrevistas, accessed in 30 March 2014.

16. Electoral official results in http://www.autarquicas2013.pt: accessed in 29 March 2014

17. Interview to TSF in www. tsf.pt: accessed 28 March 2014.

18. In http://www.publico.pt (31 March 2014).

19. http://rr.sapo.pt/informacao_detalhe.aspx?fid=1&did=143456 (27 March 2014).

20. http://rr.sapo.pt/informacao_detalhe.aspx?fid=27&did=143469 (28 March 2014).

21. One counter-current example was the publication by *Exame* of an extensive dossier on the troubles of BPN – a bank nationalised in 2008 with estimated losses for the State exceeding €4 billion – in its edition of 21 March 2001.

22. Furthermore, a number of journalists who lead these changes (namely in *Diário de Notícias*) would later leave the profession to occupy positions within the new social-democrat led governmental structure.

23. Between 2004 and 2009 the number of official interns (these only include those under contract with the companies and registered with the professional title awarding entity – CCPJ) rose from 5 percent to 10 percent of the total number of journalists (Rebelo 2011, 57). For a perhaps more accurate overview of the situation we should at least add the impact of the curricular internship programmes of more than 30 Ba and 50 MA programmes (with periods ranging from one to six months).

24. http://expresso.sapo.pt/austeridade-tira-29-mil-milhoes-de-euros-aos-portugueses=f862270 (25 March 2014).

25. These figures compare official circulation figures between the first bimester of 2008 and the first bimester of 2013. Available here: http://www.apct.pt/Analise_simples.php (26 March 2014).

26. According to the study conducted by Costa et al these fluent interchanges took 27 former members of Portuguese governments into the boards of companies and groups operating mainly in Angola (strictly Angolan, of Angolan capital majority, of mixed Angolan-Portuguese capital or of Brazilian-Angolan capital), and prompted 120 others to positions in 17 distinct Portuguese economic groups with Angolan capital since 2007.

27. The former Angolan prime minister (1992–1996) and CPLP's first Executive Secretary (1996–2000) wrote the following on his personal blog: "In Portugal, I see exactly what I predicted. Businessmen, diplomats and even intellectuals, fall to their knees asking Portuguese newspapers not to touch the little problems of Angolan dignataries, like the world known issues with General Bento Kangamba. For that to be mentioned in France, in Brazil, in the USA or elsewhere is OK, but not here in Portugal, "oh no, please no." (http://marcolinomoco.com/?p=888, 31 October 2013).

28. http://www.nytimes.com/slideshow/2012/11/27/world/europe/20121128-PORTUGAL.html#1 (24 March 2014).

29. http://expresso.sapo.pt/the-new-york-times-mostra-portugal-como-um-pais-desolador=f770510 (24 March 2014).

30. http://krugman.blogs.nytimes.com/2011/01/10/portugal-o-nao/ (25 March 2014).

31. http://www.nytimes.com/2011/05/23/opinion/23krugman.html?scp=1&sq=Portugal+Krugman&st=cse (25 March 2014).

32. http://www.jn.pt/PaginaInicial/Economia/Interior.aspx?content_id=2327057 (25 March 2014).

33. http://krugman.blogs.nytimes.com/2013/05/27/nightmare-in-portugal/ (25 March 2014).

34. From March 2011 until March 2013 Portugal had five major massive moments of national uprising, some of them gathering almost one million people in several major cities (a recent national internal security report revealed that 3012 acts of protest were accounted for by police in 2012 and 2859 were registered in 2013).

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FINANCIAL CRISIS IN THE CYPRUS REPUBLIC

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Abstract

For long, the inter-communal conflict between Greek Cypriots and Turkish Cypriot as well as the invasion and occupation of North Cyprus by Turkey defined the Cyprus Issue/Problem which has affected both the reality and image of Cyprus. The more recent financial crisis has proved to be a mega event that also has the capacity to redefine both the reality and image of Cyprus. This paper aims to address key political and discursive aspects of the financial crisis and their specific expression in Cyprus. A focal point of the analysis is the displacement of the Cyprus Issue by the financial crisis as the dominant factor affecting domestic politics, political rhetoric and international image of the Cyprus Republic. The paper draws together and builds on insights from a number of separate but complementary research projects addressing different facets of the public communication of the financial crisis in Cyprus. The second part provides an account of the unfolding of the financial crisis in Cyprus and some of its major implications; the third examines the impact of the financial crisis upon Cyprus politics and more particularly the displacement of the Cyprus Issue by the Financial Crisis as key issue in the campaign agenda. The fourth part examines the domestic political rhetoric employed for the crisis in Cyprus and more specifically the rhetoric of fear. The fifth part examines the image of Cyprus constructed by the politics of blame, not least in the German political discourse and the sixth part considers the international image of Cyprus.

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Introduction

Founded in 1960, the Republic of Cyprus is an independent sovereign state. The London-Zurich agreements reached between Britain, Greece and Turkey, offered Cyprus a *sui qeneris* independence status. Cyprus' constitution, formed by those three powers has proved frangible and stillborn. In July 1974, the Greek Junta sponsored a coup d'état against President Makarios' government. This gave Turkey the pretext to respond by an invading and occupying the 37 percent of the island. As a result, 200,000 Greek Cypriots have been displaced while the Turkish Cypriots who used to live in Cyprus' southern part moved to the north. UN peacekeeping forces maintain the buffer zone, known as the Green Line, between the area controlled by the Government of the Republic of Cyprus and the occupied territory. This Government, the only internationally recognised authority on the island, exercises control over the southern two thirds of the island, where the Greek Cypriots – numbering over 730,000 people – live. The intercommunal conflict between Greek Cypriots and Turkish Cypriot as well as the invasion and occupation of North Cyprus by Turkey define the Cyprus Issue/Problem which has affected both the reality and image of Cyprus.

The financial crisis is a mega event that also has the capacity to redefine both the reality and image of Cyprus. This paper aims to address key political and discursive aspects of the financial crisis and their specific expression in Cyprus. A focal point of the analysis is the displacement of the Cyprus Issue by the financial crisis as the dominant factor affecting domestic politics, political rhetoric and international image of the Cyprus Republic.

The paper draws together and builds on insights from a number of separate but complementary research projects addressing different facets of the public communication of the financial crisis in Cyprus. The second part provides an account of the unfolding of the financial crisis in Cyprus and some of its major implications; the third examines the impact of the financial crisis upon Cyprus politics and more particularly the displacement of the Cyprus Issue by the Financial Crisis as key issue in the campaign agenda. The fourth part examines the domestic political rhetoric employed for the crisis in Cyprus and more specifically the rhetoric of fear. The fifth part examines the image of Cyprus constructed by the politics of blame, not least in German political discourse and the sixth part considers the international image of Cyprus.

Financial Crisis in Cyprus

Cyprus became a member of the European Union on May 1, 2004 and joined the Economic and Monetary Union, adopting the Euro as its official currency, on 1 January 2008. During its accession negotiations with the EU, the Republic of Cyprus was proven to have had one of the most prosperous economies in comparison with the other 10 candidate countries (Stajano 2009, 319).

Since the country's independence in 1960, Cyprus has gradually transformed from an agricultural economy to a service-based, export-oriented economy. Since the 1980s, services (tourism, financial services) and entrepreneurship became the main source of economic growth (Athanassiou 2006, 61). The country's banking sector has developed almost entirely through private initiatives, with private banks representing 96 percent of the sector, while the remaining 4 percent consisted of state controlled institutions (Grigoroudis, Politis and Siskos 2002, 601; Athanassiou 2006, 58). The significant expansion of the banking sector, and large domestic banks in particular, has contributed significantly to promoting the island as an international business center (Stephanou 2011, 7). The large banking sector reinforced Cyprus, boosting the country's economic model, which was oriented in providing sophisticated and advanced financial services abroad, and contributed significantly to both output and employment (Stephanou 2011, 17).

However, the question still remained as to "whether the growth of the banking sector could continue indefinitely and at what cost – especially taking into consideration elements such as the threat of systemic risk, which could disturb not only the stability of the market and the ability to provide financial services, but might also have serious negative consequences for Cyprus taxpayers and the country's economy in general" (Stephanou 2011, 17–18).

An explanation is required as to why the strong financial sector did not galvanise the economy by shifting funds from the banking sector to the production sector or to other market services sectors. It was a matter of time before the oversized banking sector proved to be extremely fragile and non-durable, especially in a political fragile environment. There were several decisive factors which shaped the Cypriot banking system in the period leading to the eve of the crisis, according to Clerides and Stephanou (2009, 38–39). The first was the credit boom with extensive bank lending to local residents, growing by 20 percent per annum during 2007–2008. The second factor was the introduction of the Euro on January 1st, 2008, which led to an additional large liquidity injection in the banking system. Another factor was the so-called property "bubble" that the country had to face.

The Cyprus economy eventually succumbed to the impact of the financial crisis. With a GDP of 18 billion Euros, amounting to 0.2 percent of the EU economy, Cyprus presented a "perfect depth crisis" one of the most complex of the Eurozone (Zenios 2013). Indeed, the Cyprus crisis evolved in three different phases according to Zenios (2014). The first is the period up to the onset of the international crisis of 2008 when households and corporations accumulated excessive debt. The country's competitiveness eroded but the emerging imbalances were obscured by a banking sector that was overdeveloped with the inflow of foreign deposits. Debt fragility created conditions for the Cyprus economy to suffer a heavy blow when the international crisis erupted.

The second phase is the period 2008–2011 when Cyprus government lost access to capital market and Cypriot banks suffered significant losses due to the Greek government bond haircut. The joint effect of public debt accumulation and deterioration of the bank's balance sheet set in motion the negative feedback loop between banking and public finances (Zenios 2014). Thus Cyprus entered the "crisis zone" and without any policy measures to reduce public debt it was headed for default and only the timing was unknown.

Finally, a third phase comprises the period 2012–2013 which saw Cyprus negotiate an assistance programme with international lenders. During this phase, the financial crisis involved the exposure of Cypriot banks to the Greek debt crisis, the downgrading of the Cypriot economy to junk status by international rating agencies and the loss of access to international credit markets. The Cypriot state was unable to raise liquidity from the markets to support its huge financial sector, as Cyprus' banking sector was now estimated to be seven times the country's GDP. There was a growing expectation that Cyprus would need to apply for an additional bailout loan. On 25 June 2012 the Cypriot government requested a bailout from the European Financial Stability Facility, citing difficulties in protecting its banking sector exposed to the Greek debt. The preliminary agreement terms were made public on 30 November 2012. The resultant austerity measures included cuts in civil service salaries, social benefits, allowances and pensions and increases in value-added tax (Katsourides 2013a; Pashardes 2013; Pashourtidou 2013).

On March 13, 2013 Moody's downgraded the long-term sovereign credit rating of the Republic of Cyprus with a negative outlook. This decision was based on two parameters. Firstly, the added risk that the government of Cyprus had to provide unprecedented support to the country's banking system as a result of the damage caused to the economy from the severe exposure of Cypriot banks to the Greek economy. Secondly, the fact that Cyprus has been locked out of the international capital markets. During the Eurogroup meeting on the 15–16 March 2013, agreement was reached by the Member States of the Eurozone to grant financial assistance to the Republic of Cyprus. Financial assistance amounting to 10 billion euros was granted to cover fiscal needs, the restructuring of the banking system and for the support of the economy in general.

The Eurogroup made the decision to impose levies on depositors' accounts. The Cyprus bailout is the first that involves directly taxing bank depositors.

This decision froze Cyprus' economy. Cyprus's banks closed on March 16 and reopened on 28 March 2013. While the banks were closed, a deal was worked out to provide the country with an aid package and avert the complete meltdown of the island's oversized banking and financial sector. The government of Cyprus implemented capital controls and limits. The financial restrictions included limits on withdrawing, exchanging and exporting currency.

The resolution adopted by the first Eurogroup related to the imposition of a one-time tax on deposits. In particular, it called for bank deposits under 100,000 euros to be taxed at a rate of 6.75 percent. Deposits above 100,000 Euros would be taxed at a rate of 9.9 percent, the aim being to use the money raised by this extraordinary tax to recapitalise the banks and service the debt. Those contributing to the recapitalisation would receive stocks of the same value from the banks.

What followed was a public outcry amid widespread protests and the rejection of the proposal by the Cypriot parliament on 19 March 2013. Amidst a widely held perception that the European allies had betrayed Cyprus, President Anastasiades was forced to seek some sort of financial aid from Russia. Following the failure of the attempt to obtain funding from Russia, the government of Cyprus returned to the troika (Katsourides 2013b, 53).

The second meeting of the Eurogroup on 24–25 March 2013 resolved to secure deposits under 100,000 euros, in compliance with the Directive 94/19/EC on Deposit Guarantee Schemes of the European Commission. The bailout deal made with the international lenders would avert Cyprus's exit from the Eurozone. The terms of the deal, required the country's second largest bank, The People's Bank of Cyprus, to be closed down. The holders of stocks, depositors and uninsured clients would contribute to the reorganisation and winding-up of its credit institution and the fiscal consolidation of the bank. The holders and depositors of more than 100,000 euros would not be secured, which meant that they would lose their money. The deposits under 100.000 would be secured and guaranteed by the state, thus protecting the holders of such deposits from loss.

As a consequence, the bailout deal reduced the size of the Cyprus's banking sector. The Bank of Cyprus, the largest bank of the island was restructured, putting a levy of 47.5 percent on shareholders, bondholders, and depositors of uninsured deposits, converted into shares.

Needless to say, the austerity measures that formed part of the bail-out package had sweeping economic consequences. The country's gross domestic product (GDP) declined by 5.9 percent at the end of the second quarter of 2013, while unemployment increased to 16.9 percent.

The Political Impact of the Financial Crisis

The political system in Cyprus is centred on a Presidential Democracy with a powerful President. Elections are held at three levels: presidential, parliamentary, and municipal. A simple majority elects the President every five years, usually in two rounds. Major parties in Cyprus are the communist Progressive Party of the Working People (AKEL) which is the oldest party in Cyprus, the right-wing Democratic Rally (DISY), the centrist Democratic Party (DIKO), and the socialist United Democratic Center Party (EDEK).

In the presidential elections of 2003 challenger Tassos Papadopoulos, leader of DIKO and supported by AKEL, DIKO, EDEK, and the Ecologists Movement, won the elections in the first round with 51.5 percent of the popular vote (Christophorou 2003). During the presidential elections of 2008, Christofias the leader of the communist party AKEL won against the incumbent Papadopoulos at the first round and against also challenger Kasoulides (candidate of DISY) in the second round of the elections (Christophorou 2008; Katsourides 2012).

On April 24th 2004 the two simultaneous referenda took place among the Greek and Turkish Cypriot communities. Greek Cypriots rejected the Plan by a majority of 75.8 percent. The debate of the Annan Plan cut across partisan lines in Cyprus. The debate on previous plans and the interplay of such plans with party politics have led to the emergence of the bipolar "Rejectionists – Concessionists" (Katsis 2002). This bipolarity cuts across the Right-Left divide because the right-wing DISY and the left-wing AKEL both tend toward the "Concessionist" pole, whereas the centrist DIKO, the socialist EDEK, the NEO, and the Ecologist movement tend toward the "Rejectionist" pole. The content of the Annan Plan was the source of much discord amongst the Greek Cypriots and it managed to upset the parties most likely to agree with it. AKEL kept out of this trouble by gradually switching to a "No" position. Anastasiadis, the leader of DISY was a strenuous supporter of the Annan Plan. Right from the beginning, the electoral basis of DISY was "poles apart" with respect to the Annan Plan which subsequently led to the emergence of a splinter party (Samaras and Kentas 2005).

The most important effect is that the referendum campaign transformed the "rejectionist-concessionist" cleavage into a "pro-anti Annan Plan" cleavage. The "pro-anti Plan" split, which was primed into importance by the referendum campaign, posed a challenge to the "Right-Left" cleavage (Samaras and Kentas 2006). Thus, it is important to note how the Cyprus issue had long dominated public and media agenda and that political campaigns in Cyprus have especially revolved around the contrasting positions on this issue (Christophorou 2008, 229; Charalambous 2009, 99).

However, the transformation of Cyprus's economic and social landscape due to financial crisis has shifted concerns to the economy and to a focus on the personal consequences of the crisis rather than on wider politics. As Katsourides, (2013b, 53) observes: "the economic crisis sidelined discussions regarding the Cyprus problem for the first time in Cyprus' electoral history." The time distance from the 1974 events, combined with false hopes and unfulfilled expectations for a solution under Christofias, displaced the Cyprus problem from the top of the political agenda (Katsourides 2013b, 56–7). Still this was not the case of an issue that fades away from the agenda but an active process of issue displacement due to the dynamic of the events.

During the presidential elections of 2012 the most prominent feature of the campaign was the economy. Each candidate focused on persuading the electorate that he could manage the crisis better. All three major candidates and the parties supporting them adjusted their campaigns to target the economic crisis, highlighting the weak points of their fellow candidates (Katsourides 2013b, 60–2). Moreover Kanol and Pirishis (2013) attribute the results of the 2012 elections to economic voting, arguing that a substantial amount of votes lost by AKEL was due to the deteriorating economic situation since it took office in February 2008. The displacement of the Cyprus problem by the financial crisis in the public agenda worked to the benefit of the DISY candidate Anastasidis. During the 2004 referendum campaign, Anastasidis was a proponent of the Anan Plan vis-a-vis the independent candidate Lilikas who, being a minister of Papadopoulos Presidency, was strongly linked to the opposing campaign. Anastasiadis won against Lilikas in the first round and against AKEL candidate Mallas in the second round.

Crisis Discourse and the Rhetoric of Fear

Fear, risk and threat are three rhetorical phenomena intrinsically linked with the politics of the "Memorandum states" (PIGS). A quantitative content analysis of representations of the world system in the British press examined the proportion of the nation image of each state that is presented through the fear frame. States in the core of the European economic crisis take high rates in fear framing: Greece 47 percent of all depictions, Spain 40 percent, Portugal 44 percent, Ireland 31 percent (Iordanidou and Samaras 2012). It is noteworthy that Greece, at the epicenter of the financial crisis, ranked third after Syria (71 percent) and Afghanistan 48 percent. Another content analysis of fear related arguments on the same data identified that while hegemonic states are connected to the argument of threat and to projections of fear through their power, while the "Memorandum states" (PIGS) are connected to the argument of risk, produce fear through their problems and experience fear too (Dogani, Samaras and Iordanidou 2014).

As the aforementioned data suggest, the rhetoric of fear is intrinsically related to the reality of the memorandum. In this part of the paper, we employ qualitative content analysis to examine how fear, risk and threat were rhetorically constructed and politically actualised during the introduction of the bailout plan in Cyprus.

On March 2014 political leaders in Cyprus faced an intense political dilemma: "Should we follow a Memorandum programme or not?" A close examination of the political rhetoric that took place in the week of the decision, furnishes interesting evidence about the representation of the dilemma. Dilemmas in politics may be distinguished from ordinary issues as they tend to be presented in tones of black and white thinking. This bipolarity offers an ideal ground to strategically deploy fear appeal practices. Fear is caused by the realisation of a real or imaginary threat. This realisation is being caused either by a cognitive process that warns us of an impending danger, or an explicit or implicit threat that we addressed (Bauman 2007). Fear is only a natural reaction when confronted with the unknown, when confronted with the possibility of a hostile environment (Siegel 2005, 15). The appeal to fear is a strategically structured attempt to arouse the emotion of fear to the receiver of the message (Rogers 1975, 97).

The main theoretical model for the analysis of fear appeal messages employed in this section comprises appraisal theory (Lazarus, 1991). Appraisal theory differs from other theories of emotions because of its emphasis on "the interpretations of events rather than the events themselves that cause emotion" (Roseman and Smith 2001, 6). According to the appraisal theory, the representation of an event is considered as fear appealing when: it connects bonds between the threat and the person or group, when postures the values of the person/group etch to be intimated by the threat and when incorporates fear avoiding proposals and information about managing the threat (Lazarus 2001).

A qualitative content analysis was applied on the President's addresses and on the discussion in the Cyprus parliament that were held before (17 March, 25 March) and after (19 April) the Memorandum negotiation, using the analytical instruments of appraisal theory (Dogani, Samaras, Aggelou, Koutsimpogiorgos and Konstantinou 2014).

In the Cyprus case, when the dilemma is crucial and the negotiations in progress (*Memorandum or not?* – 17 and 25 March Presidential address) we observe high levels of fear appeal, supported by strategic communication that highlights the risk possibilities and the disastrous consequences of the "wrong" decision. Fear appeal during this period interconnects the undesirable decision (*"no" to Memorandum*) with the disastrous consequences (*leaving the U.E., collapse of the Banks*).

In the Presidential address of 25th of March, strategic fear appeal is constructed by creating bonds between the Cypriots and the Cypriot state, while agitating them to certain ends. The fear argument is constructed by the rhetoric of "*we*" that strengthens the bonds of the in-group – the Cypriot identity while it creates a collective self-image of the innocent victim. Moreover, by identifying the rescue of the banking sector to the rescue of the Cyprus state, it creates a false generalisation exploiting the essence of the nation feelings (values of the group) in order to fulfil the goal of the banking sector rescue: *"…we went to Brussels just to save our country through the stabilization of the banking sector."*

In contrast, after the Memorandum decision, (*yes to Memorandum* – 19 April) we observe clearly reduced levels of strategic fear appeal and propaganda practices. The limited fear appeals of this period interconnect the desirable decision (*yes to Memorandum*) to the reassuring resolutions (*economic stability, political safety*): *"… We should be stand united in front of our European associates, having a realistic and safe proposal, that will lead us to a stable political environment."*

Indeed, the Presidential address of 19th April de-escalates the levels of fear by promoting hope feelings enhancing the "right" decision: *"for Cyprus, for all of us* *and for each of us, for the future of the new generations."* The rhetoric is more imposing promoting that the threat is now under control.

In the Parliamentary discussions of 19th April the Cypriot President, Anastasiadis, presents himself as the innocent victim of the Eurogroup, who had no option but to agree with the Memorandum terms in order to save the country. Thus the President's responsibilities are presented as limited. This constitutes a post crisis image restoration strategy that aims to shift away the blame to an external force.

The main conclusion of the qualitative content analysis of Cypriot domestic discourse is that when the political options are presented as strictly limited and specific, the political rhetoric intends to argue through emotional appeals instead of logic arguments. In such cases the governmental rhetoric exercises power through the diffusion of fear that is based on managing the ontological instincts of the people (Dogani et al 2014). During crises fear appeals in the political argument are employed as instruments to exert power at the domestic level. At the same time they operate as signs of the state's disempowerment. The incapacitation to manage external realities fuels and legitimises the employment of fear appeals in the home front. This seems to formulate a common theme: the rhetoric of the "Memorandum dilemma" is structured by fear appeals and shifting of the blame to external actors.

The Politics of Blame for Cyprus Financial Crisis in the German Domestic Political Discourse

A central issue for every "memorandum country" is its perception of the country within the political system of the lender countries. The image of the worthy or unworthy victim is critical for the mobilisation of support and the legitimation of the financial support. The so-called Bailout Crisis made the perceptions of the German party political actors critical for Cyprus. Images of foreign countries are domesticated within party political discourse since they are rhetorically employed in domestic political games.

For almost two months, the German political parties debated on the Cyprus Bailout Crisis. The German domestic political discourse shaped the image of Cyprus. The Cyprus financial crisis was perceived as a continuation of the Greek crisis, which was in its peak, and drew all the negative frames, aspects and stereotypes from it. As a result Cyprus was treated with a very strict way. The construction of the image of Cyprus in the German political discourse was being made through the use of contradicting dipoles, strategies of apology and the operation of the blame game. The induction of these means of strategic communication in the political discourse marked the parties' campaign mode in the domestic and the international political level.

This part of the paper explores the image of Cyprus that was built during the party political debates in Germany on the Cyprus financial crisis. It covers the period from the beginning of the Cypriot financial crisis until the final decision that was taken on the issue (25/02/2013 to 18/04/2013). Parliamentary discussions and political press releases of the German parliamentary parties were examined by using the methodology of qualitative content analysis (Aspriadis et al 2013).

The blame game is a process in which agents associated with negative events aim to deflect or downplay their own responsibility (Knobloch-Westerwick and

Taylor 2008, 724), the attribution of responsibility has the power to build images through the depiction of events as a violation of fundamental public values, as operational coincidences or as a result of systemic problems and as a result that was caused by an actor or group of people (Brändström, Kuipers and Daléus 2008).

By initiating the blame game, the German government aimed to shift the blame away. By blaming the financial and political institutions of Cyprus, the German government manages to build the image of systemic fault transcending the responsibility to an outside actor. The German government put blame for the crisis of the Banks on Cyprus as a State by accusing it for mismanagement, the Cypriot parliament for voting against the memorandum and the financial system for making Cyprus a tax heaven and a center for money laundering. In addition, responsibility was transferred to the Greek financial crisis with the accusation of having a big influence in the Cypriot markets.

In the governmental public and parliamentary discourse, Cyprus is the main culprit and bears most of the blame for the crisis. The image projected is that of the unworthy victim that deserves all that has unfolded. The Greek financial crisis, the stereotypes and the negative frames it produced helped to justify this to the public perception. The German government produced the international political oppositional dipoles of "Cyprus solution vs. German tax payer" and "Cyprus bad management vs. German economic organization."

The opposition parties in Germany, on the other hand, attributed the blame to the Russian mafia, to the Chancellor of Germany, Angela Merkel, for not getting involved in the European Crisis sooner and to Cyprus for its deficient system. After the rejection of the memorandum in Cyprus, the main opposition party (SPD) mainly blamed Merkel and the government for ineffective management and political failure. Finally, the minor opposition party (Die Linke) blamed the Troika and the EU for its hegemonic policy and German manipulation and the government for bad crisis management capabilities (Aspriadis et al 2013).

The main opposition plays in the intra-state level and attributes blame to the government in order to produce an interparty political conflict frame for gaining support by polarisation. In a similar context the minor opposition is trying to reframe the attribution of blame and initiate the interparty political game with the aim of achieving political support. The oppositional narrative constructs the image of the worthy victim for Cyprus since the responsibility returns to the German government. This way, Cyprus returns to its previous image projection, namely that of a victim of imperialism and now bad crisis management of foreign actors.

Inside Germany, however, the government aimed to construct a narrative of the unworthy victim for Cyprus by making strong connections of its governmental, political and financial institutions with the economic failure of the country. The Greek financial crisis helped at making, negative aspects and frames of corruption and bad management better understood in the German public. The interstate conflict frame was better perceived in the domestic audiences and turned to a rally effect against Cyprus.

The oppositional narrative was not so strong thus making reframing less effective. The interparty conflict frame did not work well at that time because of the long term usage of patriotic agenda and metaphors of power used by the German government during the European economic crisis. Finally, the image of Cyprus changed from a victim of the Turkish occupation to a corrupted European member that was worthy of suffering. The image constructed for domestic use in the German political scene affected Cyprus and Europe in general in terms of perception and negotiations.

International Image of Cyprus

In this part of the paper we explore the impact of the news coverage of the Cyprus Bailout Crisis upon the image of Cyprus. The image of a country in the news is produced by the combined operation of the news making process, the strategies of actors and domestic and international events. Negative events have the capacity to make particular topics or aspect of these topics more accessible to the audience (Iyengar 1991). The impact of an event upon the international image of a country is a combined effect of the valence and the volume of the news coverage (Manheim and Albritton 1984). Events with negative valence and high volume tend to undermine nation image. They disassociate a countries image from positive cultural and historical connotations and define it in terms of current financial and socio-political problems (Avraham and Ketter 2008).

Prior to Cyprus Bailout, the international image of Cyprus in news media had been shaped by the vitality of its banking sector and its tourist industry as well as by the "Cyprus Issue" as an issue of invasion and occupation. As it will be demonstrated in this part the Cyprus bailout as a news topic redefined the meaning of the "Cyprus Issue" and affected the overall image of the Republic of Cyprus.

The impact of the financial crisis upon the international image of Cyprus at the early stage was addressed by the intercultural state mapping project of the Open University of Cyprus (Iordanidou and Samaras 2012). The time frame of the analysis was a period of one month (June 2012) and covered the press of three countries: Greece, Turkey and the United Kingdom (UK).

The evaluation of Cyprus is negative (- 0.41) and it becomes more negative in the economic crisis news items (-0.74). The image of Cyprus is negatively affected not only by the news on the financial crisis of Cyprus (-0.83) but also by news on the Greek financial crisis (-0.56) and on the EU financial crisis (-0.67). Even if Cyprus did not experience at the time of the analysis the early stages of its own financial crisis, the Greek/European financial crisis would still undermine its international image. What is also noticeable is that the correlation of Cyprus with the EU in the news items increases the level of negative evaluation for the image in Cyprus.

What is noteworthy in this study is that the two main news topics, the Cyprus issue and the financial crisis result to different framing of Cyprus. Frequently, in the images of states, the conflict frame and the problem frame are interrelated. In such occasions the conflict functions as a basic causal factor for the problem. This is not the case for Cyprus, since in the Cyprus Issue news, the image of the country is framed predominantly in terms of conflict (66.7 percent) and only secondarily in terms of problem (33.3 percent) while in the financial crisis news it is framed predominantly in terms of problem (78.7 percent) and only secondarily in terms of conflict (13.5 percent).

Both news categories exhibit high level of fear frame (The Cyprus Issue 41.7 percent – and the Financial Crisis 28.1 percent) low association with the hope frame and the positive impact frame. As the financial crisis develops the Cyprus Problem

(Turkish occupation) the predominant source of the conflict frame on the image of Cyprus is being displaced by the financial crisis – which shifts the image of Cyprus in terms of the problem frame.

The repercussions of the financial crisis on the image of Cyprus during the peak of the crisis were examined by another state mapping project (Samaras et al 2013). The time period for the analysis was one month (March 2013) and was based on two Greek newspapers.

During this period the journalistically mediated image of Cyprus combines very high visibility with negative evaluation. While in November 2011 Cyprus appeared in 101 news items contributing 1.7 percent of all references to foreign countries (Samaras 2012) and in June 2012 it appeared 144 contributing to 2.0 percent (Iordanidou and Samaras 2013) in March 2013 it appeared in 448 articles contributing to 11.4 percent of all references to foreign countries (Samaras et al 2013). This high visibility is combined with negativity. In 59.2 percent of the news items the image of Cyprus is negative or very negative, in 7.6 percent positive while in 33.2 percent are neutral.

During March 2013 the image of Cyprus is framed in terms of problem (60.7 percent). The uncertainty created by the economic collapse of the financial system of the country initially lead to tension in terms of the approval of economic assistance led to relatively high levels of the conflict frame (28.6 percent). The fluid financial and social environment that is constantly changing has very low percentage of positive effects frames (1.1 percent). The framing of Cyprus in terms of hope is relatively high (12.9 percent) mainly due to expectations that the "No" of the Cypriot parliament created to opponents of the Memorandum in Greece.

What dominates in the references to the image of Cyprus is the fear frame (38.2 percent), which is more intense in the aftermath of its financial system's collapse and the uncertainty of political actors, evidenced by the use of melodramatic frame (23.4 percent). The fear produced impacts the international environment after the banks' closure and the decision to break up to the country's banking sector. The repercussions are wider than the national context and go far beyond it, as a consequence of the depositors' haircut. This situation eventually spreads the uncertainty for the function of the global banking system.

Finally, one other research project (Samaras et al 2014) examined the impact of the financial crisis on the international image of Cyprus for the post crisis period in three channels CNN News, FOX News (USA) and BBC (UK). Every news item containing reference to Cyprus was analysed for a period of six months (28 March–30 September 2013). Cyprus appeared in 243 news items in BBC, 242 in Fox news and 47 at CNN. The economic crisis is the dominant news category contributing to the image of Cyprus. The economic crisis shapes the image of Cyprus as the vast majority of the articles referring to Cyprus are connected to the economic crisis. The evaluation aspect of Cyprus image is still negative but more moderately: in 39.3 percent of the news items the image of Cyprus is negative, in 2.1 percent very negative, in 1.1 percent positive while in 57.5 percent is neutral.

Negativity has been fuelled by the financial crisis problem, the collapse of its banking system, the uncertainty of the economy's path as well as the aftermath of the crisis in the international environment. In particular, the closure of the banks and the subsequent "haircut" of deposits influenced the international economic system by affecting foreign investors, mainly Russian. At the same time, the efforts of the Cypriot government and the strategies followed in order to handle the crisis produce negative evaluations.

The interpretative frames that form Cyprus' image describe a typical case of a country that has faced a hard hit, in the form of crisis, on its image. The more often employed schema of interpretation is the problem frame (51.7 percent of all depictions of Cyprus). The cost frame receives 27.8 percent, the strategy frame 24.4 percent while the fear frame 19.7 percent.

In contrast, the positive frames have very low frequency distribution: benefit frame is rated at 2.6 percent and hope frame at 4.2 percent. The combined appearance of the three frames: strategy, problem and cost could be explained by the conditions that are created during a crisis (Samaras et al 2014).

The framing of Cyprus in terms of problem during the Cyprus bailout news items interferes with the pre-existing definition of the Cyprus Issue/Problem. Three alternative definitions of the terms Cyprus Issue/Problem were examined: (a) the issue of Invasion and occupation of Cyprus by Turkey as well as of intercommunity conflict; (b) the economic problem of Cyprus and (c) internal social and political problems. Of the 532 news items coded in the three channels 306 (57 percent) incorporated some short of working definition of the Cyprus problem. In 91.5 percent (280 out of 306 items) the Cyprus problem was defined as the economic problem of Cyprus while in only 5.6 percent of the cases (17 of 306) the terms still referred to the invasion and occupation of Cyprus while in 1.7 percent (9) to social and political problems (Samaras et al. 2014). This is a process of extensive redefinition with serious repercussions for Cyprus.

Conclusions

This paper addressed key political and discursive aspects of the Cyprus Bailout Crisis. At the core of the analysis stands the process of displacement of the Cyprus Problem as an issue of invasions and occupation with the rise of the financial crisis as the dominant factor affecting domestic politics, political rhetoric and international image. In terms of domestic politics the early stages of the financial crisis affected the result of the 2012 presidential election: retrospective voting due to negative economic performance handicap the candidate of the left, while the displacement of the Cyprus Issue by the Financial Crisis from voters' agenda worked to the benefit of the elected president Anastasiades.

In terms of political rhetoric, the "memorandum dilemma" and the strategic communication supporting the imposition of the memorandum is structured by fear appeals and shifting of the blame to external actors. The processes surrounding the Bailout Crisis rendered the perceptions of German party political actors critical of Cyprus. The image constructed for domestic use in the German political scene was that of an unworthy victim. This was further elaborated in the analysis of Cyprus image in the news.

The Cyprus Problem news and Financial Crisis news result in two distinctively different images of Cyprus. The displacement of the former by the latter in the news agenda indicates a change in the international image of Cyprus. The dominant image has shifted from that of a victim of the Turkish occupation to that of a corrupted European member that is worthy of suffering. This is further enhanced by the shift of the meaning of the term "Cyprus Issue/Problem" in international media from an issue of invasions and occupation to one of financial problems and mismanagement.

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CHANGING FACES OF SLOVENIA

POLITICAL, SOCIO-ECONOMIC AND NEWS MEDIA ASPECTS OF THE CRISIS

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Abstract

The study indicates that political, economic and social faces of Slovenia have changed substantially during the half-decade of the crisis. While the ability of citizens to influence important political decisions has been curtailed on both the national and transnational level, instability has become endemic and social solidarity has been eroded. By using quantitative and qualitative content analysis the study analyses how the unfolding crisis has been communicated in the media in the 2008–2013 period with respect to the dynamics between structure and agency as well as regarding the key (inter)national features and contours of the crisis. The study indicates Slovenian news media hardly served as an integrative force and a common forum for an inclusive and open debate. Namely, results of the quantitative content analysis indicate that journalism communicated the "causes" for the crisis by portraying it as something purely accidental, while rarely pointing at the possibility of its systemic nature. Similarly, "solutions" have been predominantly portrayed within the prevailing paradigms or through the neoliberal prism favoured by holders of political and economic power. Qualitative content analysis of how Slovenian news media communicated the decisive breaks and formative moments of the unfolding crisis shows they mostly relied on event-orientation, simplistic juxtapositions and naturalisation of the established power divisions on national as well as international levels.

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Introduction

The financial crash of 2008 that spread with blistering pace throughout the world and shook the global capitalist order has been but first of many major shocks that followed in the consecutive years. They affected societies in unprecedented fashion and as of yet no end seems to be in sight. It is virtually as if crisis has become the permanent state of things, with uncertainties and built-in societal instabilities becoming part and parcel of many peoples' everyday lives. Whatever solutions are offered to solve the emerging problems inadvertently produces new ones, these tendencies being summarised by Streeck (2014, 10), when he indicates that "for every hydra head that is lopped off, two more grow in its place." Many governments around the world accordingly look clueless and in a state of blind panic (ibid.), whilst articulations of the unfolding crisis are fully embedded in intertwined political, economic, and social exclusions and newly unfolding dependencies (Beck 2013).

After the fall of socialism in Central-Eastern Europe a quarter of a century ago and the largest single expansion of the European Union in 2004, manifestations of what Beck (2013) calls "risk capitalism" are becoming fully evident. As insecurities brought on by the crisis are being dealt with the "blindness of economics" (ibid.), the expectations of catastrophe re-determine public perceptions and the foundations of political power and society are disturbed. Indeed Vidmar Horvat (2014, 101) suggests that we should name "this emerging structure of feeling the conditions of internal postcoloniality" in a sense, that EU`s transnationalisation of injustice and promotion of financial oligarchy results in mutual self-understanding and solidarity among humiliated states. It appears that the old institutions and rules are thus no longer able to solve the problems and are in need of a change (Crouch 2004).

Formerly seen as "the most prosperous republic within former Yugoslavia" (Dahlgren 2013, 1) and a successful transitional state, Slovenia is now regarded a "peripheral country" in the EU (Financial Times 2014). Since the start of the crisis it has been in turmoil, which even in the context of a global crisis can be interpreted as one of a kind. In less than five years a country of two million people has had four governments with four different prime ministers (PMs), two pre-term general elections, a globally-aligned protest movement called 15-O that symbolically occupied the Slovenian stock exchange, vast "all-Slovenian people's uprisings" against the political and economic elites, a former PM in jail, and a significant restructuring of power relations within the institutional political arena. The manifold political as well as socio-economic difficulties are exceeding those of the early transitional period after the disintegration of Yugoslavia and fall of socialism. In recent years Slovenia departed from the initial transitional model of "gradualism" (Mencinger 2005) and started adopting policies that indicate a "neoliberal turn" (Stanojević 2014) as several social and economic structural reforms have furthered weakened the welfare state (Močnik 2010; Leskošek and Dragoš 2014) and normalised flexible labour arrangements (Ignjatović 2012). These changes have seriously undermined social cohesion, as the rising social inequalities and increasing poverty have emerged as built-in societal dynamics (Leskošek and Dragoš 2014).

While the gap between decision-making processes and citizens appears almost unbridgeable in the (trans)national context (Splichal 2012) and socio-economic repercussions of the crisis reveal that cooperation among people is increasingly being based on exclusions (cf. Leskošek and Dragoš 2014), Slovenian media and journalism have not remained intact, facing troubles of attention, authority and revenue (e.g. Vobič 2013; Erjavec and Poler Kovačič 2013; Prodnik et al 2014). Core values of autonomy, accountability and originality have been pushed further to the margins, whilst journalism is being "pauperised" in its strive for profitability, efficiency and productivity (Splichal 2014). These processes indicate journalism's growing troubles in contributing to the realisation of communication rights: it is unable to provide citizens with an access to the public sphere and help them connect to the decision-making processes (Splichal 2002). That is why it is crucial to investigate how Slovenian news media communicated the unfolding crisis in order to understand its character comprehensively.

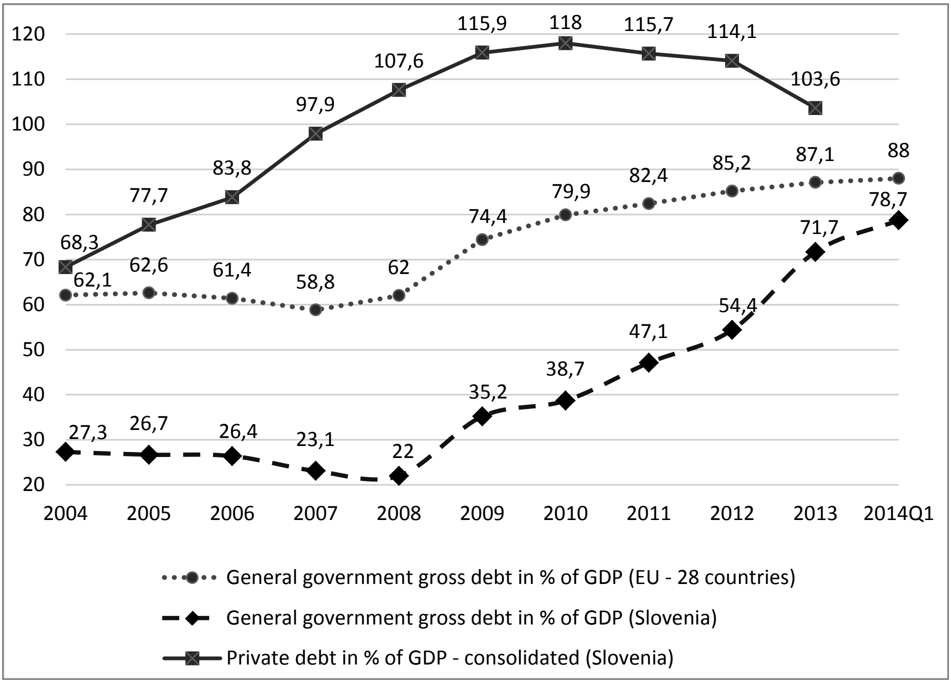
The main objective of the study is therefore to explore what interpretations of the crisis were encouraged and which discouraged in the leading Slovenian news media. By sketching highly antagonistic, unstable and turbulent years in the Slovenian political realm and major socio-economic repercussions of the austerity measures, waves of privatisation, and the adopted structural reforms in Slovenia, the study identifies key discontinuities of the unfolding crisis as orientation marks for the analysis of news media outputs. By using quantitative and qualitative content analysis the study analyses how the unfolding crisis has been communicated in the media in the 2008–2013 period with respect to the dynamics between structure and agency as well as regarding the key (inter)national features and contours of the crisis.

The Crisis in the Political and Economic Realm

During transition from self-managed socialism to capitalism, a "gradualist" model of transition rather than a "shock therapy" prevailed in Slovenia (Mencinger 2005). Gradualism, which was consistent with soft changes in the political realm without formal lustration of politicians (Splichal 1995), advocated pragmatic economic policy with step-by-step construction of market institutions and first wave of privatisation, which allowed substantial political interventions in the economic sphere (Mencinger 2005). While calls for economic policy using "exogenous shock" of EU accession for structural (neo)liberal reforms were becoming louder (i.e. Rojec et al 2004), the pre-crisis Slovenia recorded its most extensive private debt accumulation during its first centre-right government between 2004 and 2008 (Figure 1). Banks' business models were based on heavy borrowing on international financial markets and aggressive lending was used to launch the second wave of privatisation (Močnik 2010; Bembič 2013; Stanojević 2014).

Private indebtedness, which expanded exponentially between 2004 and 2010, was followed by rising government debt of Slovenia (Figure 1). Amongst the most important reasons were the state injected funds in mostly state-owned banks, which were overburdened with bad debts to private companies. While Slovenia was significantly less indebted than EU-28 average before the crisis, its debt skyrocketed since 2008, reaching 78.7 percent of GDP in the first quarter of 2014. Even though this was still below the EU-28 average (88 percent), the most concerning trend was the highly accelerated rise of indebtedness and deepening of the public deficit. With credit-rating agencies substantially downgrading Slovenian bonds and contributing to the rising prices of borrowing in international markets (Bembič 2013), Slovenian debt is bound to increase further. Within the global financial and economic crisis this specific local context provided a fertile ground in which "conditions for the neoliberal turn" (Stanojević 2014) flourished, as "anti-crisis measures" based on austerity policies have continuously been adopted. As a result, the last half-decade has unsurprisingly been marked by highly antagonistic, unstable and turbulent years in the Slovenian political realm.

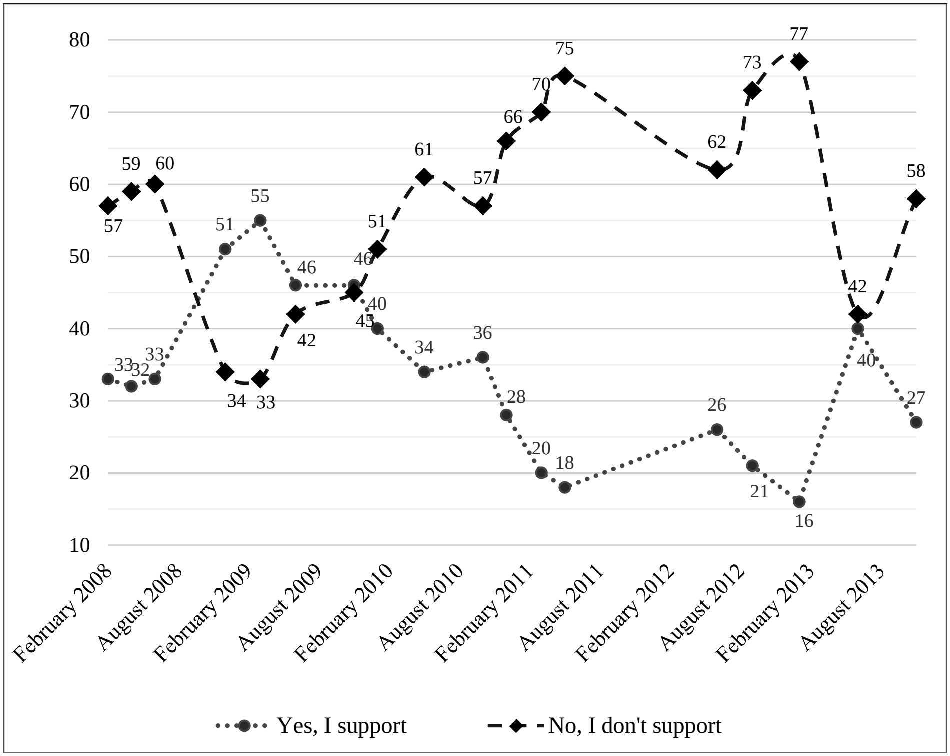
Figure 1: Private Debt and Government Debt of Slovenia (Source: Eurostat)



The longitudinal research Politbarometer (2008–2013) indicates that citizens show low support for political actors and institutions, particularly for political parties. Support for different governments has steadily been falling since the country entered the EU, with only slight oscillations (Figure 2). The support has for example risen when the centre-left government was formed in November 2008, but at that time implications of the collapse of Lehman Brothers have only started to appear. In October 2008, just weeks after his Social Democrats (SD) won parliamentary elections, the future PM Borut Pahor stressed: "We are aware that uncertain times are upon us. Slovenia cannot only follow the measures of the EU, but needs to make its own crisis management plan."

Already in autumn 2009, however, when a wave of organised trade union protest erupted in Slovenia (Vrhovec 2010), support for the government started to crumble. Pahor's government reacted to the crisis with a series of unpopular emergency measures, such as interim support for companies and redundant workers (Stanojević 2014), while also formulating a programme of structural reforms connected to the labour market and the pension system. These reforms followed the repercussions

Figure 2: (Non-)support for the Slovenian Government 2008–2013 (Source: Politbarometer)



of the first Greek bailout and under the pressure of an increasing public budget deficit, when first warnings from the EU institutions were addressed to Slovenia. Government failed to reach an agreement with trade unions and finally attempted to impose the structural reforms unilaterally. Tensions culminated in a rejection of all proposed structural reforms on a triple general referendum in June 2011 (Bembič 2013), which eventually led to the dissolution of Pahor's government. Meanwhile, in 2011 a series of protests were organised in the three largest towns as part of 15 October international protests, criticising the modus operandi of capitalism and institutions of representative democracy. Protesters symbolically occupied the Slovenian Stock Exchange until early 2012, where "democracy of direct action" was practiced in pursuit of exposing practices of social and political exclusions.

The first Slovenian pre-term parliamentary elections in December 2011 brought a marginal victory for the newly established party Positive Slovenia (PS), led by Zoran Janković, former businessman and incumbent mayor of Slovenian capital Ljubljana. Janković ultimately failed to construct a government coalition however and Janša's Slovenian Democratic Party (SDS) subsequently formed a conservative right-wing coalition. When the government was formed, Janša (Dnevnik 2012) noted that "Slovenia is in economic crisis and partly in social crisis, but the political crisis is now over." The first plan of the newly founded coalition was to enforce strict austerity measures – for instance, the Public Finance Balance Act alone amended dozens of laws – aimed particularly against the public sector and social benefits. This paved a way for strikes in the public sector in spring of 2012 and shrinking of support for the government and other political institutions (Figure 2). During the winter of 2013, non-support for the government grew to a record-high of 77 percent. When the Commission for the Prevention of Corruption (CPC) issued a report stating the leaders of two biggest parliamentary parties, PM Janša and opposition leader Janković, had violated anti-corruption legislation (CPC 2013), the "all-Slovenian people's uprisings" – mass street protests first against the mayor of Maribor and later against the entire political establishment in Slovenia – reached its peak and gained political force. Uprisings across the country called for solidarity and righteousness, while refuting practices of political elites and strengthening of the neoliberal paradigm (Zavratnik and Kurnik 2013). Under increasing public pressure Janša lost a parliamentary vote of confidence and his government fell apart in late February 2013.

A declaratively left-wing government, led by a political novice Alenka Bratušek, was formed in March 2013. With Moody's Investor Service downgrading Slovenia's sovereign rating and with "Troika" looming, the newly founded government started to rehabilitate the banking system by commencing the transfer of bad debts to the "bad bank" and introduced packages for consolidation of public finances, which also included implementation of "the golden rule" in Slovenian constitution. In an interview for CNN (2013) Bratušek responded to the question why Slovenia does not ask for "EU help," before the crisis deepens even further, by stating that "we can solve our problems ourselves" and that "we don't need help, we just need time." However an inner-party clash in PS between Janković, former president of the party, and Bratušek, broke out in April (Krašovec and Haughton 2014). Janković was pushing for a return to the PS presidency after it was "frozen" a year earlier when CPC issued the incriminating report. In May 2014, when Janković won the vote at the party congress, Bratušek resigned after only 13 months at the helm of the government (ibid.). Slovenia entered another period of political upheaval as no attempts to form a new government coalition were made.

There were vast shifts in the political realm before the second pre-term parliamentary elections in July 2014, which saw the lowest turnout in the history of the independent Slovenian state (51.73 percent) (State Election Commission 2014). The changes were to a large degree down to the social and political perturbations that started in earnest already in 2011 and continued in the winter of the uprising two years ago. The political landscape already started to alter before the 2014 European Parliament elections in May, with some new parties and notable public personalities entering the election race. It was only after the European elections, however, that the Miro Cerar Party (SMC) was officially formed, just five weeks before the general elections.

Miro Cerar has been a prominent persona in Slovenian public life and legal advisor to Parliament for years. As a well-known law professor he often acted as what Bourdieu (1998) defined a "fast-thinker," offering cultural fast-food made up by generally agreed on clichés. His party predominantly used the rhetoric of the "rule of law" and moral recuperation during the short election campaign, but throughout the focus firmly remained on the image of Cerar himself and his "personal wholesomeness" (Crouch 2008, 28). Although SMC topped the public opinion polls even before the party was officially established, it was somehow surprising that a newcomer received more than a third of the votes (34.5 percent). In fact, SMC received the second largest share of votes since the independence of Slovenia.

In the 2014 elections some "old" parties suffered big defeats, while certain "new" actors emerged, using the card of the uprisings and popular dissatisfaction with the wider consequences of the crisis. Together with SMC the biggest surprise was the relative success of the underdog United Left, a coalition of three left-wing parties and social movements emerging from the protests, with the pre-election public opinion polls indicating it was far-fetched to expect they could enter Parliament (Politbarometer 2014). With almost 6 percent of the votes (State Election Commission 2014), the coalition marginally missed out on the fourth place. The centre-right SDS was considered a loser of the elections, but still managed to come in second (20.7 percent) (ibid.), because of their loyal voting base and charismatic leader Janša, who was formally convicted of corruption before the elections and even started to serve jail time during the election campaign.

On the election night the current PM Cerar (Delo 2014) emphasised that "Slovenia needs to remain a credible member of the EU and other international integrations. It needs to respect the guidelines of the EU out of the crisis and within these recommendations find the best ways to accomplish its goals." After the elections, however, few clear policies have been presented aside from the "controlled" third wave of privatisation (Krašovec and Haughton 2014), turn to "flexible-security" in the labour market and additional austerity measures.

The Crisis and Socio-Economic Repercussions

After the fall of socialism Slovenia retained a somewhat higher degree of social cohesion than other Central and Eastern European countries. This was due to "softer transition" as approaches of the "liberal ideologists and their consultants" have been refuted by the political elite (Močnik 2010). During the 1990s Slovenia started to transform its welfare system through a "welfare mix," combining conservative-corporate and social-democratic models (Kolarič et al 2009). Restructuring of the economy still retained a rather high degree of sensitivity to the interests of labour because of powerful trade unions (Stanojević 2006). On its "path towards the EU" and after the accession, however, Slovenia's adoption of social and economic reforms mostly came at the expense of the working people and social welfare.

Firstly, labour and trade unions have accepted lowering of the wages so accession into the EU could be realised, since this was portrayed as being also in the interests of labour (Močnik 2010; Bembič 2013; Stanojević 2014). The second wave of privatisation commenced after Slovenia entered the EU, when the first right-wing government led by Janša came to power. The privatisation process coincided with Slovenia's entry into the Eurozone and was carried out through managerial buyouts, with the ultimate aim of constructing a new economic elite (ibid.). According to Stanojević (2014), the tipping point came in mid-2006, just before Slovenia adopted Euro as its currency, when fixed exchange rates intensified competitive pressures on local companies. Privatisation also overloaded companies with debt, leading to intensification of labour, while the external monetary shock created further pressures on labour (ibid.).

Secondly, processes of "abolishing the welfare state" (Močnik 2010) saw the state withdrawing from its provision of certain social services, which shifted the burden to non-state sectors, mainly private non-profit organisations and family, resulting in a palpable increase in social inequalities and pauperisation of a substantial part of the society (e.g. Filipovič Hrast et al 2012; Leskošek et al 2013; Leskošek and Dragoš 2014). Already fragmented social cohesion has been further undermined with the "anti-crisis" austerity measures that considerably affected the functioning of the pension system, public education and public healthcare (Močnik 2010). According to the Statistical Office (2004–2013) the risk of poverty rate has grown from 12.5 percent to 14.4 percent in the last half-decade (Table 1). Lowering of wages also strengthened "in-work poverty," whilst temporary jobs and forced self-employment became normalised during the crisis.

Table 1: The Risk of Poverty Rate according to the Activity Status in Slovenia 2005–2013 (Source: Statistical Office of RS)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
At work	4.6	4.8	4.7	5.1	4.8	5.3	6	6.5	7.1
Employed	4	3.5	3.5	3.8	3.5	3.6	3.8	4.5	4.6
Self-employed	13.1	17.7	16.3	18.6	17.2	21.4	23.4	23.8	27.9
Not at work	19.2	18.7	18.6	20.5	18.6	20.8	21.4	20.9	22
Unemployed	24.9	32.8	35.9	37.6	43.6	44.1	44.6	46.9	46.2
Retired	16.8	16.8	16.5	17.9	17.4	18.3	18.4	17	17.5
Regardless of activity status	12.1	11.6	11.5	12.5	11.2	12.6	13.4	13.5	14.4

The risk of poverty has risen strikingly among the self-employed; amongst them the number of those who opted for it "because they did not get the employment contract" doubled in the last decade, to more than a half of all self-employed workers (Eurostat 2013). This indicates larger transformations through which regular full-time employment is being increasingly substituted by more flexible labour in which workers are subjected to greater exploitation (Močnik 2011). Such changes are being normalised due to the rising prospect of unemployment and even long-term unemployment (Table 2). Notably, Slovenia exceeded EU average with respect to long-term unemployment in 2013 according to the Employment Service of Slovenia (2013), as more than half of the unemployed were registered for at least a year.

Table 2: Level of Registered Unemployment in Slovenia 2005–2013 (Source: Statistical Office of RS)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Registered unemployment	10.2	9.4	7.7	6.7	9.1	10.7	11.8	12	13.1
Registered unemployment for at least a year	4.8	4.6	3.9	3.4	3.3	4.6	5.4	6	6.1
Registered unemployment for at least two years	2.8	2.7	2.5	2.2	2.1	2.2	2.9	3.4	3.7

While the number of registered unemployed almost doubled in the period 2008–2013, registered unemployment among young people (15–29 year-olds) more than doubled during the crisis, rising to 19.1 percent (Statistical Office of RS 2008–2013). The younger generations are facing temporary work conditions, prolonged financial reliance on their parents, institutionalisation of lower incomes and increasing expenses for a reasonable degree of social and economic independence (Ule et al 2011).

During the crisis trends in international migrations shifted as well. In the first three years after entering the EU the number of immigrants tripled, while the rise of emigrants to abroad was not that severe. These dynamics, however, changed substantially with the start of the crisis; in 2010 more people left the country than moved to Slovenia (Table 3).

Table 3: International Migration with Respect to Slovenia 2004–2013 (Source: Statistical Office of RS)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Immigrants from abroad	10,171	15,041	20,016	29,193	30,693	30,296	15,416	14,083	15,022	13,871
Emigrants to abroad	8,269	8,605	13,749	14,943	12,109	18,788	15,937	12,024	14,378	13,384
Net migration	1,902	6,436	6,267	14,250	18,584	11,508	-521	2,059	644	487

Although the rapid growth of emigration to abroad stopped in the following years, data indicates that almost half of the people leaving Slovenia are in their twenties and thirties. These are first signs of a "brain drain" as particularly high-skilled professionals are looking for ways of leaving the crisis stricken Slovenia (Redek et al 2011). The amount of daily migrants from Slovenia to neighbouring countries also rose dramatically; while in 2003, for example, there were more workers migrating daily from Austria to Slovenia (480) than the other way around (470), in 2011 the number of Slovene immigrants jumped by 65 percent (1,400) compared to the previous year (849) (Statistical Database of Statistics Austria 2014). On the other hand, people immigrating from abroad mostly came from the republics of former Yugoslavia, particularly from Bosnia and Herzegovina (Pajnik and Bajt 2011). In 2010 most of them got employed in construction (41 percent), which is a sector that would collapse without cheap and hard-working labour (ibid.). Shrinking immigration from abroad happened especially because of sweeping bankruptcies of construction companies after 2010. They were down to a combination of anti-crisis measures, which radically restricted infrastructural investments, and failed attempts of managerial buyouts during the privatisation wave, resulting in a complete collapse of the construction sector. In many ways this was a symbol of the crisis in Slovenia.

Media and Journalism: Communicating the Crisis

After independence the Slovenian news media environment transformed considerably. Societal ownership of the media was eliminated while liberal conceptualisations of participation, property and communication were adopted (Splichal

1995). In this context, the foundations of Slovenian journalism shifted, substituting the objectivity paradigm tied to historical materialism with the "high-modern conception of objectivity," where journalists claim to provide accurate and impartial renderings of reality that exist external to journalism and its contributions in defining the public agenda (Vobič 2014). Simultaneously, the structural position of Slovenian media was profoundly transformed through the processes of "imitative revolutions," which resulted in a kind of "political capitalism" (Splichal 2001) where tendencies of privatisation and commercialisation coexisted with maximising and/or exercising state power over the media. These systemic dynamics have made news media particularly vulnerable to uncertainties brought on by the crisis and have made the work of journalists as representatives of the public more difficult under the economic and political pressures that followed.

Since the start of the crisis, particularly since 2009, the problems of the Slovenian media market, where the largest commercial television broadcaster gets about three fourths of the advertising pie and where circulation of newspapers has been in decline in the last decade (Milosavljević and Kerševan Smokvina 2012), have become more salient through a serious decline in advertising incomes and continuation of journalism's troubles of attention. Lacking a viable plan to increase incomes news media have turned towards decreasing expenditure instead, primarily through cutting production costs (Vobič 2013). Research offers further disturbing evidence of the larger process that Splichal (2014, 63) calls "pauperisation of journalism," which is characterised by the proliferation of profit-driven standardisation of newswork, demands for greater productivity, and normalisation of precarious labour. These trends have important implications for journalists' practices and consequently news media constructions of social reality.

Insights into media communication of "causes" and "solutions" for the crisis as well as their coverage of major themes and tropes of the crisis and its (inter)national character are crucial for a more profound understanding of the role of journalism during Slovenia's political, economic and social turmoil of the last half decade. Therefore, in this part the study analyses how Slovenian news media communicated the unfolding crisis in order to investigate the character of citizens' linkage to societal life constructed in the newsrooms. By using quantitative and qualitative content analysis the study focuses on communication of the crisis on news websites of four mainstream news media in the period 2008–2013: the public broadcaster RTV Slovenia (Rtvslo.si), the largest commercial broadcaster Pro Plus (24ur.com), and the leading national serious newspapers (Delo.si and Dnevnik.si).

First, by using quantitative content analysis the authors conducted systematic investigation of social characteristics that can be inferred from texts (Splichal 1990, 18), in this case news items. According to the research problem Google engine was used to search each news website with the following keywords: "economic crisis," "financial crisis," "social crisis," "moral crisis" and "world crisis." According to these criteria 1604 news items were identified in the analysed news media between 1 January 2008 and 31 December 2013. Additionally, within the population a sample of news items containing nouns "solution" and "cause" in all six cases in singular, dual and plural was created. Then, according to the context of 200 words before and after the keywords, they were coded with respect to interpretative categories of "causes" for the crisis, i.e. imminent, endogen, exogen, external disturbances, and not concrete, and "solutions," i.e. radical, reformist, status quo, neoliberal, and not concrete, by distinguishing national, international and both levels.

Second, by using ethnographic content analysis (Altheide 1996), oriented to understanding the construction of meaning and verifying theoretical relationships, the authors conducted an in-depth analysis of news media coverage with respect to the key discontinuities that have influenced the course of the unfolding crisis in Slovenia (Table 4). The authors take into consideration Streeck's (2014, ix-x) reflection that "it is inevitably more or less arbitrary where one situates the beginning of a process, because history is always interconnected and everything has a prehistory. There are decisive breaks and formative moments, however." Nine such discontinuities can be identified in the previous two parts of the study.

Table 4: Nine Discontinuities of the Unfolding Crisis in Slovenia 2008–2013

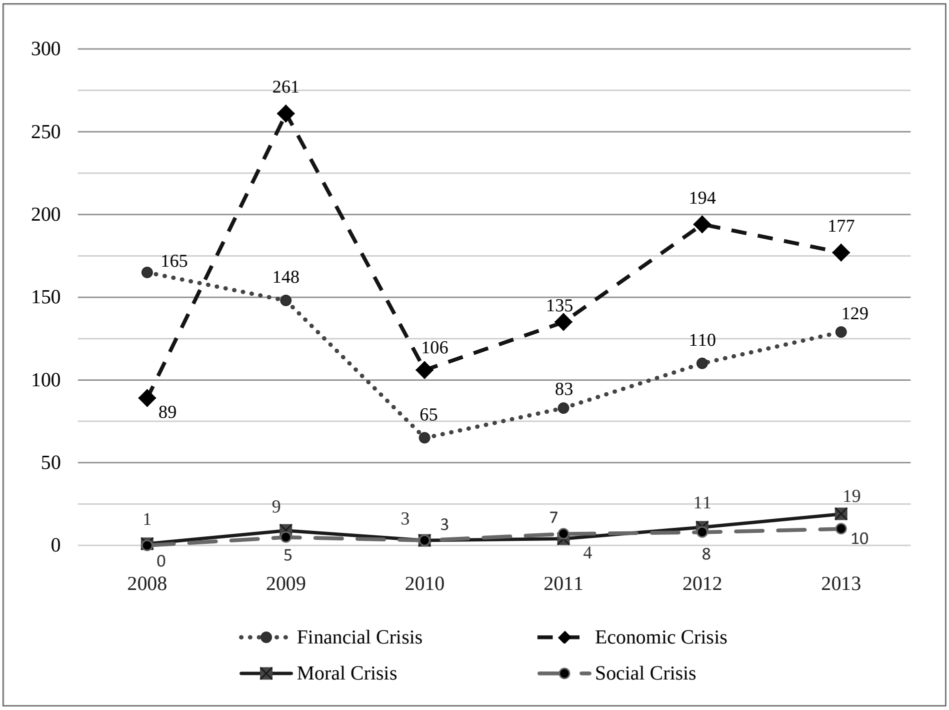
Event	Period	Items
Lehman Brothers bankruptcy	15–19 September 2008	33
Government of PM Borut Pahor takes office	21–25 November 2008	21
First Greek bailout	29 April–6 May 2010	10
Slovenian pension reform is rejected on referendum	3–7 June 2011	15
"15-O" Occupy Movement starts in Slovenia	13–17 October 2011	17
Signing of the European Fiscal Compact	29 February–4 March 2012	4
Slovene parliament adopts the Public Finance Balance Act	9–13 May 2012	24
The largest "All-Slovenian people's uprising"	6–10 February 2013	48
Moody's downgrades Slovenia's sovereign rating	30 April–6 May 2013	16

Thereafter, rather than aiming to construct a representative sample of news media's communication, the study follows recursive and reflexive movement between concept development-sampling-data, collection-data, coding-data, and analysis-interpretation (Altheide 1996, 16). By using Google search engine, data collection for the ethnographic content analysis was restricted to news items of the four media websites, which included the specific keywords for each of the nine identified discontinuities five working days around the event in question (Table 4). The analysis of 188 news website outputs around the identified events is in this manner aimed at revealing how these discontinuities were framed by the media, which interpretations were encouraged and which discouraged in the news with respect to the crisis – to its origins and possible solutions. By focusing on both Slovenian and international perspectives the study attempts to analyse news media's communication of the crisis with respect to the dynamics between structure and agency as well as relations between the nation state and international political and economic environment.

News Media and the Crisis: Causes and Solutions

Quantitative analysis shows that the crisis was predominantly characterised as "financial" and "economic" in the media, while the phrases "moral crisis" and "social crisis" were – regardless of their modest growth – not frequently used in 2008–2013 (Figure 3). A couple of oscillations can however be identified: while media communicated the crisis as "financial" in 2008, repercussions for the economy prevailed when the crisis was portrayed the year later. It is rather difficult to explain why a downfall in the frequency of "financial crisis" and "economic crisis" happened in 2010, but it coexisted with PM Pahor's slight optimism that year: "We have seen the worst of the crisis, but the crisis is not over yet" (Dnevnik.si, 14 January 2010). His optimism quickly faded however, on New Year's Eve 2010–2011 he stated that "the economic crisis is not over yet, this is not even the beginning of its ending, but it is certainly the end of its beginning" (Dnevnik.si, 31 December 2010). In 2011 the use of both "financial" and "economic crisis" started to rise again.

Figure 3: Character of the Unfolding Crisis in Slovenian News Media 2008–2013



Accidental, Not a Systemic Crisis. The quantitative content analysis of the sample of gathered news items shows that exogenous causes are most frequently presented as being of central importance on both the national and the international level (Table 5). Exogenous causes do not relate to the capitalist production system, but mainly refer to individual behaviour, demographic trends and regulation flaws, according to which it can be argued that the crisis is communicated predominantly as an accidental occurrence and not a result of systemic contradictions of capitalism. What is regarded as "a few bad apples" perspective is saliently reflected in the media through the use of phrases like "irrational bankers," "lust for profit" and "moral hazard," when referring to the origins of the unfolding crisis in the United States. Additionally, media also used wordings such as "tycoons" and "tycoonisation of Slovenia" with respect to the second phase of privatisations in pre-crisis Slovenia.

Table 5: Causes for the Unfolding Crisis as Communicated in Slovenian News Media 2008–2013

	Imminent causes	Endogenous causes	Exogenous causes	External disturbances in market self-regulation	Causes mentioned, but not concrete
National	0 (0.0%)	2 (1.3%)	31 (19.5%)	7 (4.4%)	4 (2.5%)
International	5 (3.1%)	18 (11.3%)	43 (27.0%)	4 (2.5%)	6 (3.8%)
National and International	4 (2.5%)	13 (8.2%)	13 (8.2%)	3 (1.9%)	6 (3.8%)
Total	9 (5.7%)	33 (20.8%)	87 (54.7%)	14 (8.8%)	16 (10.1%)

About one fifth of the causes for the crisis communicated in the news can be considered as endogenous, meaning they are connected to the prevailing production system and the unequal distribution of goods and risks, but not to the internal logics of capitalism. Furthermore, approximately one tenth of the causes are presented as external disturbances in self-regulation of the markets, which in the case of Slovenia referred mostly to the "public sector being too big," "slow structural reforms" and "business environment being unfriendly to the needs of the market." Only 5.7 percent of causes for the crisis communicated in the news media are interpreted as being imminent to capitalism as a production system, which can be viewed as a critical appraisal.

Status Quo Solutions. The quantitative content analysis shows that in more than a third of the cases in which solutions are mentioned they do not refer to any concrete actions, sometimes even being tautological, such as "the true answer are true solutions out of the crisis" (Table 6). Otherwise, 28.8 percent of the solutions fall within the established institutional arrangements without changing them in any way. With respect to the national level, for instance, they are explicated with phrases such as "removal of political elites," "pre-term elections as a solution" and "ethical and effective state management."

Table 6: Solutions for the Unfolding Crisis as Communicated in Slovenian News Media 2008–2013

	Radical solutions	Reformist solutions	Solutions within the status quo	Neoliberal solutions	Solutions mentioned, but not concrete
National	2 (0.4%)	5 (1.0%)	46 (9.3%)	36 (7.2%)	61 (12.3%)
International	7 (1.4%)	47 (9.5%)	67 (13.5%)	30 (6.0%)	83 (16.7%)
National and International	3 (0.6%)	16 (3.2%)	30 (6.0%)	13 (2.6%)	51 (10.3%)
Total	12 (2.4%)	68 (13.7%)	143 (28.8%)	79 (15.9%)	195 (39.2%)

Similar shares fall in the categories of neoliberal and reformist solutions. On the one hand, neoliberal solutions, such as reducing the public sector, labour flexibilisation or lower taxation, are slightly more frequently communicated on the national level with the aim of "boosting the economy" through a "minimal state." On the other hand, reformist solutions are more frequent on the international level. This group of solutions questions the "current model of capitalism," but not the capitalist mode of production, and was communicated through phrases such as "extensive redistribution," "progressive taxes" and "strengthening of public services." Within the sample, radical solutions calling to go beyond capitalism are rare, but "crisis of capitalism as a system" has been thoroughly discussed during the "all-Slovenian people's uprisings" on the online platform Revolt and Alternatives within Delo.si, where users were invited to "search for alternatives for a better tomorrow."

Discontinuities of the Unfolding Crisis in the News Media

The ethnographic content analysis of news items concerning the identified discontinuities (Table 4) shows that Slovenian news media were mostly event-orientation and relied heavily on elite sources to interpret the crisis. While opinions of non-elite sources were present in cases of newsworthy events but were commonly overshadowed by reporting on the event itself, power holders appeared as routine sources interpreting social implications of the analysed events.

Lehman Brothers Bankruptcy: Somebody Else's Problem. When covering the bankruptcy of Lehman Brothers, the dominant mode of communication in our sample was conveying movements of stock indexes, most prominently Dow Jones and the Slovene SBI20, as well as the measures taken by the US government. The discussion of possible effects on Slovenia was limited to the movements on the stock exchange. The possibility of a more fundamental impact on the economy was mentioned, but hardly discussed. On the day that Lehman Brothers filed for bankruptcy, the first optimistic comments could already be found, with Rtvslo.si (15 September 2008) for instance entitling an interview with a Slovenian stock broker in the following manner: "The brave are already buying, the mass is still waiting: Higher trading volume on the Ljubljana stock exchange may be a sign that an upturn is close." Similarly, two days later the future finance minister Janez Šušteršič was optimistic about the dangers of a global crisis similar to the Great Depression: "I do not believe the fear to be justified. In the world of today we have multiple centres of economic growth alongside the USA and Western Europe. Furthermore, economic policy has more experiences with managing crises" (Rtvslo.si, 17 September 2008).

The analysed sample gives an impression that the crisis was unfolding somewhere else and that impact on Slovenia will be moderate. With domestic factors of risk like the overleveraging of companies not mentioned and with experts and stock traders most frequently acting as news sources, it appears that editors and journalists were lacking the required insight into the developing crisis to adequately inform citizens.

Borut Pahor Government Takes Office: Cautious Optimism. The nominally social-democratic government of Borut Pahor took office at the end of 2008, at a time when the effects of the global crisis hit Slovenia. After relatively high economic growth in the first half of the year GDP growth was negative in the fourth quarter of 2008. It is no surprise then that the PM declared he will devote himself wholeheartedly to "solving the financial crisis," also by "limiting his travels abroad when only necessary" (Rtvslo.si, 22 November 2008). The proposed programme of the new government did not entail austerity measures. Quite the opposite, a need to decrease government spending or problems with public debt were not mentioned, only meetings with representatives of employers and trade unions regarding their "expectations" in a time of "economic uncertainty" were scheduled. The new PM announced that measures to "prevent effects of the recession," with financial stimuli to businesses, decreasing "the burdens" by reducing mandatory social services payments and tax cuts (Delo.si, 22 November 2008). While in retrospect 2008 signifies the beginning of a deep and long-lasting economic crisis for Slovenia, media reporting of the time does not give that impression since the confidence of the newly appointed government that it will be able to restore growth without resorting to painful measures was not challenged.

First Greek Bailout: Slovenia-Centric Perspective. Reporting on the first Greek bailout was done from a Slovenia-centric perspective. Two prominent questions raised were whether Slovenia could face a similar situation in the future and whether it could expect that the money contributed to the bailout by the state would be repaid in the future. Although not as prominently as later, the threat of the "Greek scenario" was already invoked by some economists to justify their demands for strict austerity measures. One claimed that "we can see in the Greek case what happens when financial markets lose confidence in a state" (Rtvslo.si, 29 April 2010). On the other hand union leaders attempted to use Slovenia's participation in the bailout as an argument against austerity measures: "If the state can take on debt to help Greece, it can also take on debt when it comes to the Slovenian worker" (24ur.com, 5 May 2010). In-depth analysis of the sovereign debt crisis in Europe was non-existent as media often resorted to stereotypes, for instance stating that "dodging taxes is a national sport in Greece" (Delo.si, 2 May 2010). PM Pahor used a similar reasoning when defending the austerity measures as a condition for the bailout, with media reporting that he "cannot expect the Slovenian worker to pay the Greek worker, if the latter is working less" (24ur.com, 6 May 2010). Although Slovenia was feeling the effects of the huge contraction of GDP in 2009, the bailout loan under conditions of strict austerity for Greece still seemed far away. The threat of the "Greek scenario" for Slovenia was usually discarded or was only occasionally used as an argument for implementing neoliberal measures. The fact that the Slovene government vigorously defended austerity measures imposed on Greece implies that they still believed Slovenia to be safe from the need to call on outside help to finance its public debt.

Referendum on the Pension Reform: Infantilising Citizens. By 2011 the tone of the Pahor government changed considerably as it decided to implement a series of austerity measures: reducing welfare payments and introducing stricter control of recipients, increasing the flexibility of the labour market, raising the pension age and introducing measures to combat illicit work. These austerity measures were facing increasing opposition from unions, student organisations and the parliamentary opposition and a number of the government's reforms were rejected by referendum. The cautious optimism of the government from the time it took office gave way to fatalism, since the pension reform was communicated not as a choice, but as a necessity to stave off disaster. It seemed that citizens really had little say in the matter, with Herman van Rompuy, the acting president of the European Council, quoted as saying: "Even if the pension reform is rejected on the referendum it will soon be on the agenda again, because Slovenia has committed itself to adapt its pension system" (Rtvslo.si, 3 June 2011).

Politicians and economists quoted in the media were unanimous that pension reform is unavoidable and lamented the lack of understanding from citizens, who were unable to grasp this fact. After the referendum one economist noted that "the rejection was irrational" (Delo.si, 5 June 2011). Rejection of the pension reform was portrayed not as an autonomous political decision, but as failure to grasp the basic facts of life. Accordingly, the referendum was sometimes referred to as a "blockade" (Delo.si, 6 June 2011). As another economist said, "I hope that we are at least mature enough to take the step towards a system of individual pension accounts" (ibid.). Through the voices of politicians and economists media infantilised citizens: "Slovenians stick their tongues out at the EU" (24ur.com, 6 June 2011). Citizens were not to be trusted with important political decisions, but the PM made it clear who was: credit rating agencies, EU institutions and international financial markets. As 24ur.com reported, credit rating agencies stressed that "they expect a more drastic pension reform," with PM viewing this information "almost with fear" (24ur.com, 7 June 2011). Journalists did not reflect on such claims, but offered a platform on which elites could explain to citizens the true meaning of their vote, leaving opponents of the pension reform voiceless.

15-O Protests: "Against." The media coverage of the global protests that started on 15 October 2011 was characterised by a strong focus on the demands of protesters. According to the analysis, media identified the protests with left-wing political positions, declaring them to be against "economic elites" (Delo.si, 15 October 2011), "against capitalism" (ibid.), and "against the violence of capitalism, unemployment, inequality" (Delo.si, 18 October 2011). Journalists reporting on the protests did not explicitly voice their support, yet were using expressive language. 24ur.com (16 October 2011), for instance, communicated protests as against "capitalist greed" in Slovenia, while Delo.si (13 October 2011) emphasised their transnational character: "They want to univocally tell politicians and financial elites that they are not merchandise in their hands, but want to decide themselves about their future as human beings." Journalists were also making extensive use of protest slogans like "99 percent" and "financial capitalism" and have in several instances included hyperlinks to global and local activist websites and social media profiles.

While reporting of the protests was generally favourable, the framing of protests as being largely "against," left much room for interpretation. Journalists were reluctant to go beyond reporting the facts with respect to the scale of the protest and slogans being chanted, whilst interpreting the protests in the context of austerity policies pursued in Slovenia and their socio-economic repercussions. The task of interpreting the protests was left, on the one hand, to experts, union leaders and politicians, and, on the other hand, to the protesters themselves. Yet the former did not dominate the debate, since protesters were given opportunities to voice their position: as guests in public television talk shows, newspaper interviewees and as sources through relatively extensive quotes.

Fiscal Compact: Austerity in the Shadows. Coverage on the signing of the European Fiscal Compact – the treaty which ratified stricter budget discipline and close coordination of economic policies in the Eurozone and beyond – was extremely sparse in Slovenian media, at least judging from the collected sample, which contains only four news items. They lack independent analysis and only summarise the views of trade unions, who organised protests prior to signing of the compact, and statements of Slovenian and German governments. In two cases the views of the unions were juxtaposed to views of advocates of austerity, but in two other cases the pro-austerity position was presented unchecked with highly biased titles, "The Greek virus has been contained" (Delo.si, 29 February 2012) and "The Fiscal Compact will ensure the debt crisis will not happen again" (Rtvslo.si, 2 March 2012). In this sense the news media were favouring the official sources: their claims are not identified as opinions, but acquire the appearance of facts, while the claims of unions are treated as opinions. The claim that the Fiscal Compact prevents further accumulation of debt was, for example, not attributed to a source, while contrary claims that the treaty serves to deepen the crisis, were explicitly attributed to the unionists.

The Public Finance Balance Act: Resistance is Futile. While the outcome of the referendum on pension reform did lead to the fall of the Pahor government and early elections, it did not signify a change in policy. On the contrary, the government of Janez Janša that succeeded it was committed to a programme of strict austerity. The Public Finance Balance Act was perhaps the single most radical austerity measure, since it amended more than forty laws. It is therefore surprising that it passed in an atmosphere of relative news media resignation, under insistence of the coalition parties that "austerity is necessary and there is no other option" (24ur.com, 9 May 2012). The aim of the act was according to the SDS parliamentary group leader to do away with "ballast in the public sector" (ibid.). This was also the reason that the ruling party focused on reducing public expenditure rather than increasing income: "The opposition suggested raising taxes, but this would only cover up the luxury in the public sector" (ibid.). The news media discourse in favour of austerity combined fatalism and moralising. PM Janša also added a moral dimension to this non-choice: "No community can exist for long if a part of that community believes that somebody else will pay their bills" (24ur.com, 9 May 2012). The opposition in parliament claimed that they "do not oppose austerity measures, only their degree and form" (ibid.). The majority of public sector unions decided to cease their strike after some measures were softened and claimed that it was because of a sense of "responsibility towards all people in our country" (24ur.com, 10 May 2012) although they did not see austerity as the right response to the crisis. The only total rejection of austerity measures came from a group of 15-O activists. Their protest in front of Parliament did not receive much attention from the media; only Rtvslo.si (10 May 2012) reported their views and also embedded an anti-austerity video made by activists.

"All-Slovenian People's Uprising": A Sporting Event. The analysed protest is the largest of a series of protests that broke out in late 2012, which were sparked by allegations of corruption brought against several notable politicians, including the mayor of Maribor, the Prime Minister and the leader of the parliamentary opposition. Demands of the protesters in early February 2013 received less attention than in the coverage of the 15-O protests. Since two protests were taking place on the same day, one framed to be against corrupt political elites in general, but particularly against the government of Janez Janša, who was facing accusations of violating anti-corruption legislation, and the other, organised by a civil society organisation with strong ties to Janša's SDS, reporting of the protests resembled a sporting event. The two protests were not framed in the context of the unfolding crisis, but rather as a competition, where the winner would be the one that managed to mobilise more people. Delo.si reported that anti-government protesters were "louder" (Delo.si, 9 February 2013) than pro-government protesters, while 24ur.com (8 February 2013) even went as far as to rent a helicopter to obtain aerial footage of the two protests and compare their relative sizes. In the days preceding the protests much attention was given to the allegations that SDS demanded from members of the party that they submit names of at least three people they were going to bring to the pro-government protest.

The trope of a competition between pro-government and anti-government protest forces became the dominant mode of news media coverage. In several instances the two protests were even interpreted as a symptom of a fundamental and irreconcilable social conflict. For example, 24ur.com (9 February 2013) lamented "It is as if we have returned to the past, we are again in conflict and divided," while a commentator at Delo.si (10 February 2013) wrote about "two Slovenias" and "a deep cleavage that cannot be resolved." Save for one instance no connection was made between the anti-government protests and the implemented austerity measures. Rather, much attention was devoted to the attempts of SDS to secure participants for the pro-government protest and to different controversial remarks made by Janša in his address to pro-government protesters, where he also referred to the anti-government protesters as "left fascists." In this way the protests were largely depoliticised in the media. Focus was on the actions and strategies of the actors in the conflict, while little attention was devoted to the underlying causes and those demands by protesters that did not fit the anti-Janša narrative.

Moody's Downgrade: The Nation Loses Face. When the credit rating agency Moody's downgraded Slovenia's sovereign debt rating to "junk" status, the dominant narrative in the analysed media was one of a moral failure. A financial analyst quoted in 24ur.com (30 April 2013) and Delo.si (30 April 2013) described it as a "loss of credibility," with 24ur.com reporting that finance minister Uroš Čufer met with international investors in order to "restore credibility." Even though Rtvslo.si (30 April 2013) covered the Libor scandal in the same days, the credibility of rating agencies and interest rates on Slovenia's bonds was never questioned. Rather, politicians, financial analysts and economists were given free rein to interpret the event as a failure of Slovenia to implement neoliberal measures, or as an unidentified source "close to the European Commission" put it: to adopt "well known reforms" (Delo.si, 2 May 2013).

The question was not whether the continuation of austerity policies and privatisation was the correct path or not, since they were interpreted as "absolutely necessary measures" (Dnevnik.si, 3 May 2013). While the credit rating agencies Standard & Poor's and Fitch had retained a substantially higher rating of Slovenia's sovereign bonds and this fact was noted in the media, the downgrade by Moody's received far more attention and served as an alibi for the promotion of neoliberal policies. This is not to say that media had a neoliberal slant in general in the analysed period. The downgrade occurred just prior to May Day and critiques of austerity policies, reports on rising unemployment and inequalities were well represented.

Yet critical reporting and possible alternative solutions were conspicuously absent from news on the financing of Slovenia's sovereign debt as such. The issue was not reported like a political problem, but as a technical one: the only question seemed to be how government would satisfy the demands of international financial markets for "structural reforms."

Conclusions

The study indicates that political, economic and social faces of Slovenia have changed substantially during the half-decade of the crisis. The ability of citizens to influence important political decisions has been seriously curtailed on both the national and transnational level. Instability has become endemic, while social solidarity has been eroded. The realisation of journalism's fundamental obligation to meaningfully connect people to societal life and give them voice in this context appears increasingly difficult. In this respect it is not surprising that analysis of how Slovenian news media communicated the unfolding crisis indicates they hardly served as an integrative force and a common forum for an inclusive and open debate between 2008 and 2013.

Results of the quantitative content analysis indicate that journalism communicated the "causes" for the crisis by portraying it as something purely accidental, while rarely pointing at the possibility of its systemic nature. Similarly, "solutions" have been predominantly portrayed within the prevailing paradigms or through the neoliberal prism favoured by holders of political and economic power. In addition, ethnographic analysis of news items concerning the identified discontinuities that emerged as decisive breaks and formative moments shows that Slovenian news media mostly relied on event-orientation, simplistic juxtapositions and naturalisation of the established power divisions on national as well as international levels. In this context, opinions of non-elite sources were used only in the cases of newsworthy events, such as "15-O protest" and "All-Slovenian People's Uprising," and even then they were commonly overshadowed by reporting on the event itself, while power holders appeared as routine sources interpreting social implications of the analysed events. Furthermore, notwithstanding some examples of thorough analyses of the troubling developments, media largely communicated events in a fragmentary manner: connections between them were rarely established and remained largely unrelated to the social totality from which they emerged. For example, when covering the demands from EU institutions for stricter austerity measures, these measures were disconnected from the effects they had on poverty, unemployment and social welfare, although the latter were communicated isolatedly.

News media therefore failed to provide comprehensive answers as journalists appeared to be caught in what Splichal (1999, 299–300) understands as the "paradox" of journalistic objectivity: as journalists strive to provide impartial renderings of reality, they become partial towards the existing social order. By "objectively" communicating the unfolding crisis, it can be argued journalists in fact reproduced and legitimised established power relations, normalised central concepts and ideas of the historical context, and re-established journalism's structural position in capitalism. While the doctrine of objectivity has historically been a cornerstone of newsroom's coalition with media owners, it now appears as an assurance of journalism's adaptability to economic uncertainties furthered by the crisis, regardless of the true nature of its political and cultural implications for citizens' linkage to societal life.

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PASCHAL PRESTON
HENRY SILKE

IRSKA – OD NEOLIBERALNEGA PRVAKA DO »SREDIŠČA VIHARJA«

Kapitalizem se je izkazal za dinamičen, k rasti usmerjen in zelo produktiven sistem, ki je povsem preoblikoval materialno življenjsko raven v večini regij Evrope skozi dve stoletji. To je način proizvodnje, ki se ne samo naravno širi, temveč tudi nenehno razvija, spodbuja in zahteva nenehne spremembe v tehnoloških, organizacijskih in institucionalnih oblikah, v katerih je edina stalnica sprememba »vse, kar je trdno, izpuhti v zrak«. Ena od posledica je tudi ta, da je kapitalizem nagnjen k različnim oblikam in vrstam periodičnih kriz. Različno od večine prejšnjih načinov proizvodnje, ekonomske krize v kapitalizmu ne nastanejo iz sončnih peg ali drugih (prvotno) naravnih sil, temveč iz številnih napetosti ali protislovij, ki so inherentne sistemu. V tem prispevku sta avtorja še posebej pozorna na razvijajoči se vlogi financializacije in medijatizacije (predvsem) v luči razvijajočih se oblik gospodarskih kriz in spremljajočih procesov ustvarjalnega uničenja, vključno z »varčevanjem« v sodobnem kapitalizmu. Tovrstna vprašanja proučujeta z obravnavo Irske kot študije primera, sorazmerno majhne države na zahodni periferiji, ki je igrala osrednjo, če ne vodilno vlogo v širši krizi Evroobmočja. Avtorja obravnavata, kako se je kriza, ki izvira iz prekomerne bujnosti v zasebnih bančnih in nepremičninskih sektorjih, zelo kmalu preoblikovala v krizo širšega gospodarstva in zlasti krizo državnega financiranja. Članek prav tako proučuje, kako so ključni trenutki in značilnosti teh nedavnih kriz bile ustvarjene in poročane v poglavitnih novičarskih medijih.

COBISS 1.01

SOPHIA KAITATZI-WHITLOCK

GRČIJA, KRIZA OBMOČJA EVRA IN MEDIJI: REŠITEV JE PROBLEM

Oktobra 2009 se je Grčija soočila z dolžniško krizo ter s krizo zadolževanja in rečeno je bilo, da ogroža Evroobmočje. Po dolgem zavlačevanju je Evropska komisija, v sodelovanju z Evropsko centralno banko (ECB) in Mednarodnim denarnim skladom oblikovala hibridno tristransko telo, tako imenovano "Trojko", da razreši problem zadolžene države. To dejanje je povečalo interes, saj je preoblikovalo krizo v pereče vprašanje intenzivne globalne medijske pozornosti, vpliva in spina. Grki so tako vstopili v epicenter krute globalne publicitete. Članek proučuje finančno krizo Evroobmočja/Grčije, kritično ocenjuje način njenega političnega reševanja s strani nacionalnih avtoritet, avtoritet Evropska unije (EU) in Evroobmočja. Avtorica proučuje načine poročanja o izbruhu krize, s poudarkom na ključni začetni fazi in raziskuje, kako so bile politike kriznega upravljanja predstavljene in obravnavane v transnacionalnih javnih sferah. Avtorica proučuje vlogo nacionalnih in nadnacionalnih medijev pri uokvirjanju te afere in ključne manifestacije političnega komuniciranja ali odsotnost le-teh. Poleg tega, članek proučuje osnovne materialne pogoje in politično-ekonomske motive pristranskih ali "nenormalnih" načinov poročanja. Z vidika učinkov, članek proučuje de-legitimacijo in polarizacijo politike ter političnega komuniciranja Grčije kot posledico "kriznega upravljanja". Članek raziskuje odnose moči v EU in splet družbeno-ekonomskih in političnih reakcij / dogodkov, ki so se nastali iz kontroverznega modela "kriznega upravljanja" ter njihove vplive do sedaj.

COBISS 1.01

HELENA SOUSA
LUÍS ANTÓNIO SANTOS

PORTUGALSKA V SREDIŠČU VIHARJA: KRIZA, VARČEVANJE IN MEDIJI

Menjava vlade, ki se je zgodila Portugalski po letu 2011, je bila veliko več kot le nova epizoda v tipični rotaciji med glavnima političnima strankama, glede na to, da je do nje prišlo v času, ko je država pričela triletno obdobje zunanjega finančnega nadzora. Tri politične sile, ki so aktivno ustvarjale ta grob prehod, so dosledno sledile ostri varčevalni strategiji, ki so jo uvedli upniki. Ta neenakomerna platforma (ustvarjena s podreditvijo namesto soglasjem), je bila gojišče za diskurz, kjer je v središču obstoj širokega nacionalnega konsenza v podporo sprejetim drakonskim varčevalnim ukrepom. Vdori nezadovoljstva so naleteli na prezir in bili zavrnjeni kot pristranska ali celo proti-domoljubna mnenja. Članek ima štiri glavne dele. V prvem bodo predstavljene temeljne značilnosti gospodarske in finančne krize in njenih posledic. V drugem delu bodo temeljito proučeni politični učinki in izzivi krize. Politični in gospodarski učinek je tesno prepleten s trenutnim položajem osrednjih medijev, ki je predstavljen v tretjem delu članka. Kot bomo videli v zadnjem delu članka, je poseben splet dejavnikov v državi brez finančne suverenosti ustvaril odlične pogoje za medijsko reprodukcijo vladnih in upniških diskurzov.

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SOFIA IORDANIDOU
SAMARAS N. ATHANASSIOS

FINANČNA KRIZA V REPUBLIKI CIPER

Že dolgo med-skupnostni konflikt med grškimi in turškimi Ciprčani kot tudi invazija in okupacija Severnega Cipra s strani Turčije določata ciprsko vprašanje / problem, ki je prizadel tako resničnost kot podobo Cipra. Nedavna finančna kriza se je izkazala za mega dogodek, ki ima tudi sposobnost, da ponovno določi tako resničnost kot podobo Cipra. Namen članka je obravnavati ključne politične in diskurzivne vidike finančne krize in njihovo specifično izražanje na Cipru. Osrednja točka analize je odmik od ciprskega vprašanja, ki ga je povzročila finančna kriza kot prevladujoči dejavnik vpliva na domačo politiko, politično retoriko in mednarodni ugled Republike Ciper. Članek združuje in nadgrajuje spoznanja številnih ločenih, a komplementarnih raziskovalnih projektov, ki obravnavajo različne vidike javnega komuniciranja o finančni krizi na Cipru. Drugi del ponuja opis razvijajoče se finančne krize na Cipru in nekaterih njenih poglavitnih posledic; tretji obravnava vpliv finančne krize na ciprsko politiko in še posebej na odmik od ciprskega vprašanja k finančni krizi kot ključnemu vprašanju v volilni kampanji. Četrti del obravnava domačo politično retoriko, uporabljeno za krizo na Cipru, še posebej retoriko strahu. Peti del obravnava podobo Cipra, ustvarjeno s politiko krivde, ne nazadnje tudi v nemškem političnem diskurzu in šesti del proučuje mednarodno podobo Cipra.

COBISS 1.01

IGOR VOBIČ
ALEKSANDER SAŠO SLAČEK BRLEK
BORIS MANCE
JERNEJ AMON PRODNIK

SPREMINJAJOČI SE OBRAZI SLOVENIJE POLITIČNI, DRUŽBENOEKONOMSKI IN NOVIČARSKI VIDIKI KRIZE

Študija nakazuje, da so se politični, ekonomski in družbeni obrazi Slovenije bistveno spremenili v polovici desetletja krize. Medtem ko je zmožnost državljanov, da vplivajo na pomembne politične odločitve, okrnjena tako na nacionalni kot nadnacionalni ravni, nestabilnost postaja endemična, družbena solidarnost pa izginja. S kvantitativno in kvalitativno analizo vsebine študija proučuje, kakšno je bilo medijsko sporočanje o razvijajoči se krizi v obdobju 2008–2013 glede na dinamiko med strukturo in delovanjem, kot tudi skozi na ključne slovenske in mednarodne značilnosti in obrise krize. Študija kaže, da so slovenski novičarji in mediji komaj služili kot povezovalna sila in skupni forum za vključujočo in odprto razpravo. Rezultati analize kvantitativne vsebine namreč kažejo, da je novinarstvo poročalo o »vzrokih« krize tako, da jo je prikazovalo kot nekaj povsem naključnega, medtem ko so novinarji le redko pokazali na možnost njene sistemske narave. Podobno so bile »rešitve« pretežno predstavljene znotraj prevladujočih paradigem ali skozi neoliberalno prizmo, ki so jo prevzemali predvsem nosilci politične in ekonomske moči. Kvalitativna analiza vsebine, ki proučuje, kako so slovenski mediji posredovali odločilne prelome in ključne trenutke razvijajoče se krize, razkriva, da so se novinarji pretežno usmerjali na dogodke, poenostavljene primerjave in naturalizacijo uveljavljene delitve moči na nacionalnih kot tudi na mednarodnih ravneh.

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NAVODILA ZA AVTORJE

Priprava rokopisov

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Novak, Janez. 2006. Naslov poglavja. V: P. Kodre (ur.), *Naslov knjige*, 123-145. Kraj: Izdajatelj.

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Book

Novak, Janez and Peter Kodre. 2007. *Title of the Book: With Subtitle.* Place: Publisher.

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