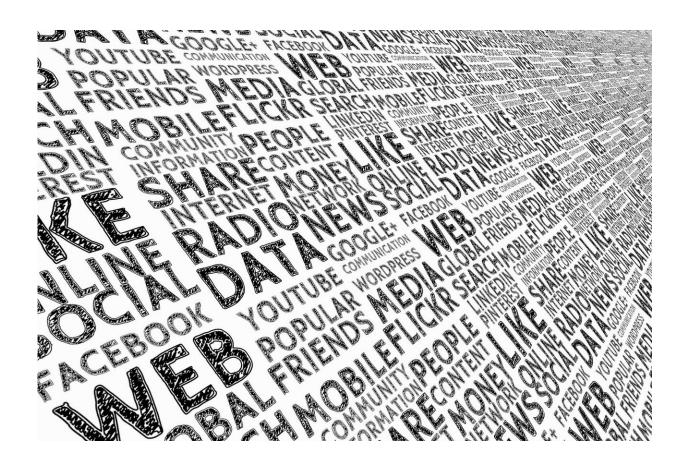


## Negative economic news gets more coverage in newspapers than positive news

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Negative economic news gets more coverage in newspapers than positive news and it has a greater influence on public opinion. This double asymmetry has far-reaching consequences, as evidenced by



policymakers with ambitious plans.

"I was certainly surprised to see that negativity is such a common thread running through everything," said Alyt Damstra, a communication scientist at the University of Amsterdam. Her automated <u>content analysis</u> of all the economic <u>news</u> between 2002 and 2015—127,120 articles in eight newspapers—revealed that negative economic developments lead to far more <u>news coverage</u> than positive developments.

## Positive news does nothing

She went on to research media usage and the opinions of over three thousand people in the Netherlands by means of a large panel survey in 2015. It revealed that negative news coverage about economics or policy leads to pessimism: people's economic expectations become gloomier and support for the government declines. Positive news coverage, on the other hand, has no effect on public opinion.

Damstra presumes that policymakers sense this double asymmetry and that it has an inhibiting effect on radical policy measures. "Phasing out mortgage interest tax relief, for instance, was a controversial issue for a long time. The fact that negative reports about a decline in spending power have a greater electoral effect than positive articles about a more inclusive housing market makes taking responsibility risky. You see the same thing in terms of the nitrogen crisis and <u>climate change</u>: politicians prefer not to say that we ought to take fewer flights."

## Almost impossible for journalists

Damstra presented economic journalists with her findings in an interview study. "It's almost impossible for journalists to breach these dynamics of negativity. The demand for interpretation and information



is simply greater in an economic downturn. Added to that, positive trends often take place very gradually, whereas negative developments happen abruptly. Just think of bankruptcies and redundancies. By reporting negativity, they are being truer to the cycle of making news, in which the unexpected is more newsworthy."

The question is to what extent the findings are specific to economic news. Damstra thinks not: "The dynamics between reality, news coverage and <u>public opinion</u> can be successfully researched within economic dynamics, mainly because a lot of data is available. Consumer confidence has been measured on a monthly basis for decades; you can compare it with news <u>coverage</u> and hard economic figures. But I think that negativity in other news works in exactly the same way."

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