



MRC Special Report

An In-Depth Study, Analysis or Review Exploring the Media

September 19, 2002

A Summer of Skewed News The Liberal Tilt in TV's Economic Reporting

EXECUTIVE SUMMARY

Liberals want this year's election campaigns to be dominated by economic issues, and no wonder: TV news has organized the discussion of key economic issues such as tax cuts, prescription drugs, and new government regulations on business in ways that aid the liberal cause and give short shrift to conservative arguments. Media Research Center (MRC) analysts reviewed economic policy news on ABC, CBS, CNN, FNC and NBC and discovered that this summer's television coverage was almost entirely organized around liberal themes and arguments.

This report marks the beginning of a long-term MRC project designed to expose and neutralize the media's bias against conservative free market principles and in favor of liberal big government economics. MRC President L. Brent Bozell III has sent network news executives a letter outlining this research and urging them to provide unbiased economic reporting. The MRC will produce regular follow-up reports documenting both the positive and negative aspects of television's economic reporting, as well as end of the year rankings of the best and worst networks and reporters for economic coverage.

Highlights of this summer's coverage:

- Most reporters presented new government regulations as the only way to "restore confidence" after the corporate accounting scandals. In a span of less than four hours on July 15, ABC, CBS, CNN and NBC repeated the same liberal spin contrasting the Senate's proposal with a "weaker" bill passed by the House of Representatives. Only the Fox News Channel resisted the impulse to editorialize.
- Network reporters presented the increasing federal deficit as a terrible economic development, yet their concern evaporated when covering the prescription drug debate. Instead of exploring the uncontrollable costs of another federal entitlement, ABC, CBS and NBC showcased anecdotes about a handful of cash-strapped senior citizens with sky-high drug bills – stories designed to stoke emotions, not inform the public.

- Some correspondents even used their news stories as vehicles to openly demand a new taxpayer-subsidized prescription drug program. CBS's Bob Schieffer said on July 23 that if Congress failed to act, senior citizens would "get the shaft." When the Senate ended attempts to reach a bill, CNN's Daryn Kagan scolded lawmakers from her anchor desk: "Shame on all of them."
- Network reporters' concern about the deficit manifested itself in a renewal of last year's hostile coverage of the Bush tax cut. One sign of how pervasive this bias was: even the usually-balanced Tim Russert championed an early end to the tax cut on *Meet the Press*. He posed 40 questions about diluting or repealing the tax cut, but never once asked whether its pro-growth benefits should be accelerated. In a five-and-a-half minute segment on September 1, Russert asked about rolling back Bush's tax cut an average of once every 41 seconds.

Network viewers saw some especially egregious examples of bias. Perhaps the worst was on ABC's *This Week* on August 18 when, in an effort to discredit new tax cuts, George Stephanopoulos disingenuously juxtaposed allegedly "costly" proposed tax reductions with the few beneficial items contained in a much larger anti-terrorism spending package that President Bush threatened to veto. Just two months earlier, his ABC colleague John Cochran had exposed the vast amount of wasteful or irrelevant spending hidden in the positive-sounding anti-terrorism bill.

But the MRC report also documented some examples of excellent journalism. CNN's Jonathan Karl uniquely informed viewers about Congress's own accounting gimmickry in a July 22 *NewsNight* report. On *Inside Politics* on August 13, CNN's John King balanced his questions on taxes, asking Democrats if they wanted to roll back the tax cut even as he challenged Bush administration officials to speed up its implementation.

The MRC offers network reporters recommendations for more accurate and balanced news coverage in the future: 1) Reporters should refrain from presenting liberal spin and liberal assumptions about taxation, spending and the role of government as unassailable fact; 2) Interviewers must no longer give conservative spokesmen the third degree while liberal policies get a free ride; and 3) Reporters need to include the views of free market advocates, not just "victims" in need of more government spending, or their economic coverage will never be truly balanced.

A Summer of Skewed News

The Liberal Tilt in TV's Economic Reporting

by Rich Noyes
Director of Media Analysis

Liberal politicians have made no secret of the fact that they hope this fall's congressional elections revolve around economic issues, including the federal budget deficit, lack of a prescription drug entitlement for senior citizens and this year's corporate accounting scandals. Perhaps one reason for this desire is that liberals watch Dan Rather, Tom Brokaw and Peter Jennings every night, and they recognize that TV news has framed the discussion of all of these important economic issues in a way that benefits liberals and gives short shrift to conservative arguments.

This summer, the Media Research Center reviewed ABC, CBS, CNN, FNC and NBC news programs and Sunday morning interview programs, along with the broadcast network morning news shows. Primetime magazine shows such as NBC's *Dateline* and discussion programs such as FNC's *The O'Reilly Factor* and CNN's *Larry King Live* were not included.

Our analysts found that coverage of the key economic issues was almost entirely organized around liberal themes and arguments. For instance, liberals blame President Bush's tax cut for the declining budget surplus, while conservatives blame government spending that is rising far faster than economic growth. In their coverage, network reporters aided the liberal cause by focusing almost exclusively on the tax cut, not the problem of rising spending. Balanced coverage would have equally featured both liberal and conservative arguments.

There were rare instances when network reporters deviated from this pattern and offered viewers a balanced perspective or questioned politicians from both the liberal and conservative perspectives. Thus, in addition to documenting the media's prevailing liberal skew, this report will also spotlight those episodes of even-handed reporting, in the hope that journalists will emulate their colleagues' neutral tone. But the presences of occasionally balanced reports does not detract from the damage done by biased and condescending remarks by reporters such as ABC's Terry Moran, who dismissed Bush's 2001 economic program as "a tax cut that was, frankly, cooked up during the heat of a political campaign." Moran made his remark on September 11, during ABC's commemoration of last year's terrorist attacks.

This report will also offer recommendations for more accurate and less biased economic coverage. The objective is not news coverage that is skewed in favor of conservative proposals

and ideas, but coverage that finally places liberals and conservatives on an even playing field, and lets viewers make up their own minds.

Regulations: Four Out of Five Networks Agree

The big story at the beginning of the summer was the fiscal health of corporate America. As major companies such as Enron, Global Crossing and WorldCom became embroiled in accounting scandals, network reporters seemed to have just one suggestion: more government regulations. If the President refused to embrace new rules, journalists suggested, it wasn't because he was a principled conservative, but a slave to big business.

"This is a President who has made no bones about the fact that he is not a great fan of regulation, he talks about cooperation, not regulation. Does he have a credibility problem?" CNN's Aaron Brown wondered on the July 8 edition of *NewsNight*. That same evening, CBS's Wyatt Andrews pushed Bush even harder, branding him the "President who, for most of his term, has been 'partner-in-chief' with big business." He didn't mean that as a compliment.

After CBS's Andrews branded the Bush administration a tool of big business, CBS validated their own spin with a poll, reported by John Roberts on the July 17 *Evening News*: "While people are split over whether Mr. Bush is more interested in protecting large corporations or ordinary Americans, there is no question they feel his staff comes down on the side of corporations."

When it came to the legislative reaction to this year's accounting scandals, in a span of less than four hours, ABC, CBS, CNN and NBC's reporters all repeated the exact same liberal spin, favorably contrasting the newly-passed Senate bill with the "weaker" House-passed law. On the July 15 *World News Tonight*, ABC's Linda Douglass worried about the effect lobbyists would have on the final bill: "The question now, Peter, is what will happen to this," she told anchor Jennings. "Will it become law? The House passed a much weaker version, and the lobbyists are swarming over Capitol Hill to try to get the House to water down what the Senate has done."

That same night, the *CBS Evening News*'s Bob Orr parroted Douglass: "The Senate version must be reconciled with the weaker House package. And with some Republicans and the accounting lobby already promising a fight, it's unclear at the moment how tough the final reforms will be."

NBC's Tom Brokaw applauded the Senate vote even as he repeated the same spin of his network counterparts: "Late tonight the Senate passed, 97 to nothing, a bill aimed at shoring up investor confidence by creating harsh new penalties and jail terms for corporate fraud...The

COUNTERPOINT

Greenspan Warned Congress Against Hasty Regulations

"I'm merely saying to go slow in this area. There is not a need at this particular point to rush, because I will tell you, corporate governance will be just fine for the next two years because everyone has been chastened."

— *Excerpt of Greenspan's testimony before the U.S. Senate July 16, shown on FNC's Special Report with Brit Hume but not on ABC, CBS or NBC.*

Senate version now must be squared with a different, weaker measure that's already been passed by the House of Representatives."

On *NewsNight*, CNN's Brown echoed that the "conference committee [is] set to go to work tomorrow. These things go on pretty much in secret, we will see what comes out of it, but the betting is it will look more like the Senate bill more than the far weaker bill that passed the Republican-controlled House." Not just "weaker," but "far weaker" — in case any viewer missed the point. That night on ABC, CBS, CNN and NBC, there was no debate, zero, about whether the Senate may have gone too far in its regulatory zeal, even though at least one well-respected business correspondent thought that was a real concern (see box).

Only the Fox News Channel managed to report the same development without adjectives or editorially worrying that lobbyists might "water down" a tough Senate bill. On *Special Report with Brit Hume*, White House reporter Jim Angle quoted a remark from Democratic Senator Joseph Biden ("Maybe the President should stop making speeches for a couple of days. He's spoken twice, and the market went down while speaking 500 points"), then added straightforward information about the Senate vote: "People, Biden said, are looking for real things to happen, and that may soon be the case as the Senate passes its bill against corporate fraud, then sits down with the House to negotiate a compromise."

In a telling footnote, after the House and Senate informally settled on a version of the bill, ABC's Douglass acknowledged on the July 24 *World News Tonight* that longer prison terms may not stop corporate crime. After running through the longer penalties for such things as shredding documents and a 25-year prison sentence for a "scheme to defraud," Douglass belatedly admitted: "Still, experts say just the threat of more jail time won't stop corporate crime."

She then ran a sound bite from Columbia Law School Professor John Coffee, who dismissed the congressional action that was widely celebrated just nine days earlier. "It's an election year answer to crime," Coffee retorted. "It sounds good, but it won't affect the sentences really imposed or what prosecutors actually do." It's hard to give ABC credit for finally investigating and publicizing this point of view, since the network didn't present out this contrarian point of view until after the congressional debate was a done deal.

COUNTERPOINT

Fears Government Will "Overdo It"

NBC's Matt Lauer: "You hear people throwing out a lot of reasons [why the stock market is declining]. One, we're still getting over the dot com failures, another is the corporate scandals, another is 9-11 and fear of terrorism. Rank those for me, and add some others if you want."

CNBC's Ron Insana: "...There's one other thing I would add, that in this environment, it's possible we will see a bidding war between Democrats and Republicans over how harshly to regulate business, and I think professional investors are getting scared that the climate could turn inordinately hostile and chill the economy and the business environment."

Lauer: "So what you're saying is when the government jumps in here, it can get very messy."

Insana: "Particularly if they overdo it and then over-regulate or over-legislate, yes."

— Exchange on NBC's Today, July 11.

Network Reporters: Deficit Hawks but Spending Doves

Network reporters presented the federal budget deficit as a development with negative economic implications. On the August 27 *World News Tonight*, after the Congressional Budget Office (CBO) issued new ten-year predictions about the federal budget, ABC's Betsy Stark decried the deficits. "There is going to be a fairly serious impact if it persists," she prophesied. "It is already possible to count the costs of a vanished surplus. Seniors may well have to wait for a prescription drug benefit, and what many saw as the nation's best opportunity to shore up Social Security is gone."

That same night on the *CBS Evening News*, John Roberts made it seem as if the CBO had issued policy recommendations alongside its projections: "The Budget Office says federal coffers will not substantially get back into the black unless President Bush's tax cut is allowed to expire as scheduled in the year 2010." Of course, the CBO statisticians did not argue for a return to the Clinton-era tax code, nor did they rule out other mechanisms such as spending restraint as ways to return to balanced budgets. Roberts's artful formulation implied that the "non-partisan" CBO — he made a point of labeling them as such — agreed with liberals that the main problem was the tax cut, not constantly growing spending.

Yet network correspondents' concerns about the expanding deficit evaporated when it came to the

On the Bright Side:

CNN Exposed Congressional Hypocrisy

On July 22, CNN's Jonathan Karl produced a unique piece for *NewsNight* detailing that, even as the Congress was winning applause from journalists for passing laws telling business how to act, their own practices were less than exemplary. "There's been no shortage of congressional outrage over shady corporate accounting," Karl related before running sound bites of Republican Rep. Billy Tauzin and Democratic Senator Chris Dodd lambasting companies with cooked books. But, Karl added, "all that tough talk obscures a basic fact: Congress' own accounting practices look eerily like the schemes used by Enron and WorldCom."

Some of the hypocrisy cited by Karl: "Congress has perfected the art of understating expenses, sometimes not counting them at all. For example, last year Congress approved a \$15 billion bailout of the Railroad Workers Pension Fund, but not a dime of that money was counted on the balance sheet — a trick not even WorldCom can pull off."

Karl noted that Congress doesn't count future Social Security payments as liabilities: "Enron's alleged crime was using accounting gimmicks to conceal its debts, which is exactly what Congress does, but with much bigger numbers....If you counted all the money Congress owes future retirees, the true size of the federal debt is several trillion dollars higher, but don't look for the true debt to show up on the debt clock any time soon. Like most federal laws, the corporate accountability law won't apply to Congress."

These facts were well known to Karl's competitors on Capitol Hill, but instead of making sure the public knew how the government accounts for taxpayer money, the broadcast networks continued to portray Congress as the body that would restore "confidence" by cracking down on private enterprise. More reporters should have followed Jonathan Karl's lead and given citizens an informed look inside the institution they cover every day. □

debate about expanding the amount of money taxpayers would pay to subsidize the prescription drug costs of senior citizens no matter how affluent. On this issue, television focused on telling the stories of cash-strapped individual seniors with sky-high drug bills, not detailing the overall costs of the program or the probability that another entitlement program modeled after Medicare or Medicaid would lead to higher deficits (see box).

NBC's Lisa Myers was typical, beginning her July 31 *Nightly News* piece with an anecdotal victim: "Rosemary Cola takes 19 pills a day for serious chronic conditions, including diabetes. Her husband Jim takes 11. They had hoped that after years of political promises they'd finally get help soon with drug costs of almost \$1,000 a month. So today after the Senate rejected a last-ditch compromise and all but gave up for the year, the Colas were furious."

On ABC's *World News Tonight* the previous night, Linda Douglass used the exact same journalistic formula to elicit sympathy for the senior citizens whom the Senate had not aided: "As she watched the debate, Frieda Moss's hopes for prescription drug coverage faded once again....Frieda spends \$500 a month on medicine for diabetes, high blood pressure and heart trouble. The drug bills eat up her entire Social Security check. She has little money for anything else....Frieda and millions of others like her may just have to wait, as one proposal after another goes down to defeat in Congress."

Such stories are designed to stoke emotions, not inform the public. How many senior citizens are in the same straits as Rosemary Cola and Frieda Moss? What percentage face such high drug costs, and what percentage of those need financial assistance? What are the free-market alternatives to a major expansion of a government program? The networks' decision to organize their coverage of the prescription drug debate around a relative handful of sympathetic seniors seems calculated to push taxpayers toward embracing a new federal burden. That's necessary context, of course, but journalists should also have skeptically challenged the advocates of such a big-government expansion to prove their case.

Pushing a Tax Cut Rollback

Television reporters were not as sympathetic toward taxpayers as they were to elderly prescription drug users. Even while correspondents were chastising Congress's failure to spend more money, concern about the rising deficit manifested itself in a renewal of last year's hostile

COUNTERPOINT

A New Entitlement Could Lead To Much Higher Spending

"Non-discretionary budget outlays have increased from 55.7 percent of total federal budget outlays in 1986 to 64.7 percent in 2001. Recall that the vast majority of non-discretionary spending, exclusive of interest payments, includes such mandatory entitlement programs as Social Security, Medicare and Medicaid...."

"Consider how massively they grew between 1986 and 2001. Outlays for Social Security increased from \$199 billion to \$433 billion, Medicare increased from \$70 billion to \$218 billion, and federal outlays for Medicaid increased from \$25 billion to \$129 billion. Cumulatively, those three programs alone increased from \$430 billion in 1986 to \$986 billion in 2001, or by 130 percent."

— *Washington Times*, August 4.

coverage of the Bush tax cut. (Details are available in MRC's April 2001 Special Report, *Liberal Spin Prevails: How CBS Led the Networks' Charge Against the Bush Tax Cut*.)

According to the liberal media's economic template, deficit spending is bad because government borrowing forces interest rates to rise, and higher interest rates hurt economic growth. Yet few liberal pundits perceive the harmful anti-growth consequences when the government confiscates the same amount of money from the private economy through taxation, instead of selling Treasury notes and savings bonds. Thus, schemes to postpone or even repeal last year's tax cuts featured prominently on the networks' economic news agenda this year.

A sign of just how pervasive the anti-tax cut bias is at the networks: NBC's Tim Russert — normally a balanced interviewer who presses both liberals and conservatives to justify their positions — used his position as moderator of *Meet the Press* to push the idea of either freezing or repealing the Bush tax cut. On his weekly *Meet the Press* since the beginning of 2002, Russert has asked a total of 40 questions about weakening the Bush tax cut and not one about whether taxes are too high.

As any good interviewer would do, Russert demanded that tax cut supporters such as Treasury Secretary Paul O'Neill, Speaker of the House Dennis Hastert, and Office of Management and Budget Director Mitch Daniels justify their stance in favor of lower taxes. But Russert indulged liberal opponents of the Bush tax cut, pressing them on whether or not they would support a rollback in its provisions. "If the President's tax cut, in your estimation, is

When Congress Failed to Spend, Network Reporters Booed and Hissed

Network reporters resolutely portrayed the prescription drug entitlement as such a policy no-brainer that back-room corruption must have been a factor in its demise. On the July 23 *CBS Evening News*, correspondent Bob Schieffer blamed the "powerful drug lobby" for thwarting reform: "Drugs have become so expensive, seniors can go to places like Mexico and buy American-made drugs cheaper than they can buy them at home. Changing that is complicated because the drug lobby is a powerful force, and real relief is expensive."

Referring to the Senate's continued debate on the issue, Schieffer was anything but neutral: "They say they'll keep trying, but don't bet on them getting far. Instead, expect Democrats to blame Republicans, Republicans to blame Democrats, and the White House to blame Congress. Seniors, in the meanwhile, just get the shaft."

Eight days later, after Senators ended efforts to reach a deal, CNN's Daryn Kagan expressed exactly the same sentiment as Schieffer. Speaking from CNN's anchor desk in Atlanta, Kagan declared, "Shame on all of them. They're sitting there playing politics in Washington. I know we have a lot of viewers at home, a lot of older people who their simple, simple request is just to be able to afford the drugs that they need." Co-anchor Leon Harris chimed in: "Don't forget us young folks who will be pitching in to help our grandparents."

When journalists like Schieffer and Kagan are booing anyone who disagrees with them about such an important policy debate, how can viewers expect balanced coverage? □

driving these deficits, why not step forward and say 'We should end the tax cut, roll it back,'" he demanded of the liberal Senate Budget Chairman Kent Conrad (D-ND) on June 9.

Democratic Representative Nita Lowey, who opposed last year's tax cut, appeared on the September 1 *Meet the Press* alongside Representative Tom Davis of Virginia, a tax-cut supporter. In a five-and-a-half minute span, Russert badgered them both about repealing the tax cut a total of eight times, or about once every 41 seconds.

Here, in compact form, are six of Russert's questions: He started by asking Lowey, "Should the Democrats be in favor of freezing the Bush tax cut?" Then to Davis: "Would it be better to freeze, postpone, the Bush tax cut?" To Lowey: "Why not freeze the tax cut rather than spend the Social Security surplus?" After Lowey remarked that the Republicans had "squandered" the surplus, he probed: "How did they squander it? With the tax cut?" Russert asked Lowey: "As part of a budget summit, would you be in favor of freezing the Bush tax cut?" Then he turned back to Davis: "But, Congressman Davis, you did come to office with a \$5.6 trillion surplus, and it's gone, and a third of that can be directly attributed to the tax cut."

Senator Hillary Clinton voted against Bush's tax cut and began lobbying for its demise in 2001, yet on September 15, Russert didn't press her for alternative policies to promote economic growth, but merely allowed her to reaffirm her anti-tax views: "You said we should repeal the Bush tax cut. Do you believe that is now necessary in order to have the money to fight wars?" What a softball — she thought repealing the tax cut was "necessary" *without* the war.

Of course, Russert was hardly alone. The same day the *Meet the Press* host was inviting Representative Lowey to bash the tax cut, CBS's John Roberts was substituting for Bob Schieffer on *Face the Nation*, questioning Democratic National Committee Chairman Terry McAuliffe, an ardent foe of Bush's tax cut. Roberts never confronted the liberal McAuliffe with conservative arguments; he only wondered why Democrats weren't doing more to undo Bush's tax cut: "If you're so critical of the President and his handling of the economy and deficits why is there no great hue and cry among Democrats in Congress to repeal the tax cut?" he pleaded.

Roberts's follow-up question was no less obsequious, as he repeated Democratic talking points to the man who helped write them: "Is now the time for the President to be proposing new tax cuts, particularly ones that seem to benefit wealthy investors more than they do middle- and lower-income Americans?" When McAuliffe proceeded to, predictably, malign the tax cuts, Roberts returned to his original theme: "So why, and I asked you this before, why no hue and cry to roll back the current tax cut?"

COUNTERPOINT

The Media Are Focused On the Wrong Problem

"Academic research...shows that higher taxes nearly always lead to higher [government] spending, not lower deficits. The only thing that leads to real reductions in spending is tax cuts. As Nobel Prize-winning economist Milton Friedman put it, 'The only effective way to restrain government spending is by limiting government's explicit tax revenue.'"

"...Deficits are not a problem. As a share of the economy, they are very modest. Raising taxes or rescinding tax cuts — which are the same thing — would only fuel additional spending and do nothing to reduce deficits or aid the economy."

— Economist Bruce Bartlett
in his August 29 syndicated column.

Even if interviewers like Russert and Roberts repeatedly bring up rolling back the tax cut as a way to get Democratic politicians to put their money where their mouth is, such a steady drumbeat only reinforces the liberal point that lower taxes are harmful. If, in an alternate universe, both liberal and conservative politicians were asked over and over again about cutting taxes, liberals might quite rightly feel that their point of view was being de-legitimized. In the real world, however, the liberal view is usually well-represented in the agenda and premise of journalists' questions; it's the conservative view that's routinely ignored.

One ABC Reporter Exposed Ridiculous Spending, Another Embraced It

On the June 15 *World News Tonight*, veteran reporter John Cochran gave ABC viewers one of those all-too-rare investigations into how government wastes taxpayer money. Cochran

On the Bright Side: John King's Balanced Approach on Taxes

Instead of following the usual media line and pressing both Republicans and Democrats to rescind the tax cuts, CNN's John King came at Democrats from the left and Republicans from the right. Substituting for regular host Judy Woodruff on the August 13 *Inside Politics*, King exposed viewers to the conservative concept that tax cuts promote job-creating economic growth, asking OMB Director Mitch Daniels, "Should a strong growth policy also include accelerating the President's tax cut? It was a ten-year tax cut passed last year, but much of those cuts actually don't take effect until the far out years, not in the first, second or third year. Should those be accelerated, in your view?"

Later, questioning House Minority Leader Dick Gephardt, King posed questions based on liberal logic. "What is the Democratic plan?" he asked, suggesting, "Should we repeal the Bush tax cut? Slow down its implementation?" He similarly asked Hillary Clinton, "What would the Democrats do differently [than the Bush administration], and for starters, would you scale back the Bush tax cut passed last year?"

Finally, King returned to conservative points with Treasury Secretary Paul O'Neill: "The ten-year tax cut, much of it takes effect in the out years — three, four, five more years from now. Some say if you want to grow the economy, move that up. Others say, increase the amount that Americans can put in their 401(k)s, in their IRAs, to encourage more investment. Others say let Americans deduct their investment losses....All of those things might cause growth in the economy. They would also cause strains and perhaps more deficits. How do you balance that?"

When journalists ask questions on television, they're engaged in more than simple news gathering. They're also helping to set an agenda that instructs viewers about which issues are important and which ones citizens should care about. When a trusted interviewer like Tim Russert asks 40 questions about whether tax rates are too low, and absolutely none about whether tax rates are too high, viewers are being told that tax cuts are an economic problem.

King's approach of asking questions from both liberal and conservative premises, in contrast, allows viewers to make up their own minds. Unfortunately, it was an approach too rarely seen on the airwaves this summer. □

detailed some of the ridiculous or irrelevant items tucked away inside an emergency spending bill ostensibly designed to fight terrorism.

“Most of the tourists out on the National Mall today don’t know or don’t care that the Smithsonian Museum of Natural History houses, out of public view, worms and insects pickled in alcohol, a flammable substance,” Cochran informed viewers. Senators like West Virginia Democrat Robert Byrd declared that a “fire hazard,” Cochran continued, but “how to get the \$2 million to move the bugs to another location? Simple: just tack it on to the emergency funding the President wants to fight the war on terrorism.”

“And, while Congress was at it, they tacked on some other items,” Cochran told viewers. “Fifty million dollars for an animal disease laboratory in Iowa; \$2.5 million for research on foot-and-mouth disease in rural New York; \$16 million for fishing communities in New England; textile import provisions that could help two southern Republicans up for re-election; and an attempt to bring back that old favorite, the honeybee subsidy.” No member of Congress appeared on ABC to explain how subsidizing honey farmers would improve American security, but Cochran played a soundbite from Republican Senator John McCain calling such projects “war profiteering.”

It’s obvious from Cochran’s reporting that both Republicans and Democrats were using the popular “War on Terrorism” label as a way to obtain federal funding for more than a few dubious projects. Yet on August 18’s *This Week*, Cochran’s colleague George Stephanopoulos used the positive-sounding items in the exact same bill as an argument that Bush’s attempt to restrain federal spending was merely a cover for more tax cuts.

Stephanopoulos’s liberal analysis occurred during an interview with Dan Bartlett, the man who now holds under President Bush the same position Stephanopoulos held under President Clinton — senior adviser for communications. With matching figures on screen, Stephanopoulos outlined some of the potential tax cuts the Bush team was reportedly considering: “Doubling the [capital] loss deduction costs about a billion dollars a year; increasing IRA limits, about \$1.5 billion a year; and ending the double taxation of dividends, according to a 1992 Treasury study, at least \$13 billion a year, some people think it would be far more.”

Viewers saw all those numbers, which ABC conveniently added up, and displayed their total: \$15 billion per year.

Then, over an on-screen graphic titled, “\$5.1 Billion Emergency Spending,” Stephanopoulos presented only the beneficial-sounding components of the spending package Cochran had exposed two months earlier. The price tag for each element of the bill appeared on screen: “Compare that to the cost of the emergency spending proposal, which the President rejected this week. It was \$5 billion. It included firefighting grants [\$150 million], nuclear plant security [\$235 million], cargo inspection [\$39 million] and the emergency funds for New York City [\$99 million].” That screen did not provide a total — maybe because it would have made viewers realize that Congress had added a lot of pork-barrel spending to the bill. The spending Stephanopoulos highlighted added up to just \$523 million, or only about one-tenth of the total bill.

After all of this set-up, Stephanopoulos finally got to his question: “Is the President saying, if he proposes a new tax plan, that these tax proposals are more important, are a higher priority for the United States than those spending proposals?” It’s more than a little disingenuous for Stephanopoulos to trumpet the tiny fraction of popular items from a spending bill that his own network had already exposed as full of pork, and then use that skewed presentation of the bill to imply that valuable projects are being sacrificed in the quest for tax cuts.

Yet despite his below-the-belt presentation, Stephanopoulos’s underlying theme was the same as most of his new colleagues in the Fourth Estate: tax cuts are “costly” because the government will end up with less money to spend on new projects, despite the fact that citizens will end up with more of the money they’ve earned to spend on projects of their own.

Conclusion: Recommendations For Improved Coverage

Last year, the MRC’s Free Market Project published a monograph, *Dollars & Nonsense: Correcting the Media’s Top Economic Myths*. The book contained ten essays written by well-credentialed conservative economists, including Nobel Prize winner Milton Friedman, debunking ten common media myths. These experts show that, contrary to the prevailing spin, government spending does not promote economic expansion, economic growth does not fuel inflation, and lower tax rates can often create more government revenues.

While a basic level of economic literacy would vastly improve the quality of TV’s economic coverage, reporters don’t even need to go that far if they’re willing to follow some of journalism’s basic rules.

Here are a few recommendations for better, less biased, economic coverage:

- **Reporters should refrain from presenting liberal spin and liberal assumptions as unassailable fact.** For example, tax cuts don’t “cost” the economy anything and, by increasing the benefits of work and investment, lower tax rates actually help increase America’s wealth. But liberal politicians, eager to keep government’s coffers full, like to spin tax cuts as costly expenditures. Of course, both liberal and conservative politicians can spin all they want to, but good reporters shouldn’t elevate one side’s political spin by

Send Journalists Back to School?

“What explains the economic mythology that passes for news these days? One factor is that when it comes to covering the U.S. economy, journalists are heavily influenced by a herd mentality. Wrongheaded ideas — such as the notion of an inevitable trade-off between inflation and unemployment, or the idea that the trade deficit is a meaningful economic measure — are so commonplace that it may seem impossible to wrench them out of standard news coverage and analysis.

“But the economics profession itself is partly to blame for the substandard state of economic journalism. Many of today’s economic reporters and editors came of age during the 1960s and 1970s when economics was in a state of confusion. During that era, academic economists traveled down the dead-end path of neo-Keynesianism. But while most academics have advanced beyond the prevailing theories and ideas of that time, a whole generation of college students wasn’t rehabilitated after this disastrous misadventure.... Journalists who had the misfortune to come of age during this era were never properly exposed to some very basic and universal lessons of economics.”

— *Economist Stephen Moore in the introduction to Dollars & Nonsense.*

presenting it as fact, as ABC's George Stephanopoulos did in the August 18 *This Week* interview.

- **Interviewers must no longer give conservative spokesman the third degree while liberals get a free ride.** There's nothing wrong with interviewers like Tim Russert asking politicians to defend conservative policies such as tax and spending cuts. But politicians who oppose tax cuts or who routinely vote for costly new programs such as a prescription drug entitlement also need to be scrutinized. Questions that simply give liberal politicians a forum to agree with a liberal premise are usually uninformative, and they're biased if conservatives aren't given similar opportunities to promote their policies.
- **Reporters need to include the views of free market advocates, not just "victims" in need of more government spending.** Most of the flawed economic coverage is not produced by trained economic correspondents, but anchors and journalists assigned to political beats such as Capitol Hill or the White House. As the debate over a prescription drug entitlement showed, these correspondents appear more interested in attaching a sympathetic human face to a social problem than finding enough experts to give viewers a balanced briefing about the pros and cons of various solutions. TV reporters need to make sure free market experts are fully and fairly represented in coverage of economic-related matters, or their economic coverage will never be truly balanced.

For an interview with an MRC spokesperson, please contact Katie Wright at (703) 683-5004

The Media Research Center

The Leader in Documenting, Exposing and Neutralizing Liberal Media Bias

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