

# The media in recession, unfulfilled need for good news



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As for the last quotation: of course, journalists consult, not with real estate experts, but with their bosses (editors-in-chief, publishers) and through them with their end users - readers, viewers and listeners. Their task is not to pacify the public or explain the actual condition of the real estate market in the US or in the Czech Republic; their assignment and goal is to generate profit. The media are (let's not speak about public TV and radio) business entities, such as real estate agencies, consultancy firms or development companies. Their profit depends on the size of their audience, which determines the interest among advertisers and the income of the daily or the TV station. Each journalist's primary and, in fact, sole professional imperative is to search, process and offer information that attracts the target group of customers. And it has to be emphasized once more - negative or any other catastrophic news are popular at any time, anywhere. And the media with ambitions to have a wider reach (and larger audience) have to adjust to these tastes, if they want to or not.

One of the causes of the rather strange, yet widespread taste is no doubt the fact that an overwhelming majority of the information published by the media has nothing in common with the practical lives of the addressees. A murder in a neighbouring village or the alcoholism of a famous folk singer, or (at a higher level) the problems of the power position of Jiří Paroubek among the Social Democrats or the role of women in Czech medicine - these are all things that readers and listeners cannot, and usually even do not want to, change anything about. Sociologists call it "infotainment", and the general media (we are not talking about specialized periodicals here) have to count on this phenomenon if they want to generate profits.

## Expertise above all

While the attractiveness of information on the sixth divorce of a Hollywood film star can be generally assessed by everyone, the situation is a bit harder with economic news. That is why it is believed that an economic journalist has to be so objective to have virtually no own opinion. His goal is to interpret the opinions of experts and people from practice loyally and quickly. The outcome is that, at a time of decreasing (or growing) oil prices, he cannot even dare to make the simple conclusion that petrol prices are likely to go down or up soon. On TV, for example, this all leads to a situation in which an expert asked about this thinks deeply and, with his eyes set on the economic horizons somewhere above the head of the interviewer, enunciates the solemn prophecy: "Oil prices are growing, fuel prices are therefore likely to go

up in the near future.”

The journalist may have some space for his own opinions in editorials. True, but economy, let alone the real estate market, is a complex and complicated organism beyond the grasp of a standard journalist and his qualifications. How many economic commentators do we have, and how many of them are good, i.e. able to perceive economic phenomena in a broader context and evaluate them accordingly? And how many editorials and comments on events on the real estate market can you see here? In other words: as regards news on real estate market developments, the media are totally dependent on the supply of information created by the very players on the real estate market.

### **Messengers of your news**

All that a journalist in this position can do is to choose, from a rich information offer, things that could be of interest for readers/viewers/listeners. This is once again based on the principle of entertainment. Economic conditions affect everyone, but most economic news is too general to have any real appeal to the audience. Reports on record-high GDP growth (or its catastrophic plunge) are hugely irrelevant for an unemployed person in Chomutov or an IT specialist in a Prague office of an international corporation - their position is the same and secure regardless of GDP.

However, there are exceptions in this regards as well - and today economic journalism finds itself in a unique place. Reports on bankrupting enterprises and banks, layoffs and wage cuts and on the generally highly uncertain economic future are not entertaining, but will attract virtually everyone - this really applies to all of us. And to a large extent it also covers information on the falling prices of real estates, on the construction slowdown and the problems of development firms. However, the journalists did not make them up. They only quote and broker current reports, analyses and projections, which are generally very pessimistic, unlike in the near past.

The publishers can be therefore satisfied (in fact, they are not because they have less advertising, even though the number of readers is the same). Headlines such as “Record-high fall of real estate prices”, “Hard times for property trading” or “Crashing real estate shares” are reverberating, interesting, and look good on title pages. And it has to be added, these catastrophic headlines are often supplied by the authors of such alarming analyses, projections and reports. They are usually backed by media specialists who invent them, because they know that such reports can catch the tired eyes and minds of journalists in the everyday flooding of information.

### **Suppliers of ammunition**

More than questions about low social responsibility of the media or their perverse negativism, we should ask about the information ammunition supplied to the journalists by the real estate sector. And we should not lose hope, the media can also help. If an economic or real estate celebrity is bold enough and announces: “The crisis will end tomorrow!”, that celebrity will certainly appear on the title pages of all dailies and as the major news on TV stations. And before any such person appears, every player on the real estate market can think what media and of what quality and level of seriousness he supports, as a consumer and advertiser.

N. B. The last discussion breakfast organized by SF did not bring the needed positive report, although many interesting opinions were voiced. Unless we see as such the words of the economist Petr Zahradník, of ČS: “The economic cycle in Europe is highly flattened in time. In two or three years the crisis should be gone.” This may be an argument to turn professional “real estate” discussions in a different direction. We should stop mentoring if there is or is not a crisis, why it is here, why banks are lending less; instead, we should start preparing for the time when the crisis starts fading away.

# Stavební forum

