

News Source Use in the Crash of 1987: A Study of Four National Media

By Dominic L. Lasorsa and Stephen D. Reese

Employing content analysis, this study examines coverage of the stock market crash in 1987 for October and November by CBS Evening News, *Newsweek*, *The New York Times*, and *Wall Street Journal*. The news media published/presented 167 crash stories, citing 1022 sources from business, government, academic life, Wall Street, lobbyists, and others. Sources differed, with the government sources mentioning causes of the crash — most often the national debt — while business and lobbyist sources focused more on effects. Print media favored Wall Street sources — and used more sources in general — while CBS favored government sources. This study finds, as hypothesized, that news media favor high prestige sources, and that use of different sources resulted in distinctly different slants. Public views of the crash would have been shaped as much by the sources cited as medium read/viewed.

► The national news media in the United States purport to work under the premise that within a news story they present an objective account of news events, giving fair treatment to those with differing positions. The press allows differing positions to be expressed by representative spokespersons. Source attribution, the attributing of positions to individual persons, preferably with their relevant organizational affiliations identified, is a fundamental practice of the press. This attribution serves important functions for the audience. It alerts the reader both to the expertise and the motives of the source. When critical readers “consider the source,” they essentially make judgments about both the source’s capacity to offer evidence and motivation in presenting it.

Audience members, however, cannot judge sources they do not hear. Thus, in addition to choice of stories, news media wield enormous gatekeeping responsibility in their selection of sources, which largely determines the way stories are framed. We consider this selection process an active one in two respects. Sources take an active part in promoting themselves into the news, and journalists actively choose sources based on their suitability to the story and to the audience. By examining the sources in news stories, we may learn much about who gains access to the press, how issues are framed, and how

► Dominic L. Lasorsa is assistant professor and Stephen D. Reese is associate professor of Journalism at the University of Texas at Austin. They thank graduate students Steve Hill and Susan Hightower for help. This is a revised version of a paper presented at the International Communication Association annual conference in May 1989.

media differ in their source selection.¹

October 1987 crash

In this study, we focus on one major story, the Wall Street stock market crash in October 1987 and the debate over its causes and effects, and we examine how four major national news media — the CBS Evening News, *Newsweek*, the *New York Times* and the *Wall Street Journal*, used sources in their coverage of this story.

We have several reasons for choosing this particular story. First, it was an unexpected and largely ambiguous event, which resulted in many differing interpretations and questions. The crash combined taxes, trade, interest rates, deficits and political leadership into a dramatic national story.

What caused the crash? What would be its effects?

Second, it was a “big” story. The *1988 Media Guide* called the crash the “most important story of the year.”² The rapid plummet of stock prices on Oct. 19 was similar in magnitude, and instantly compared to, the great crash of 1929. This major story evolved over a few weeks time and was covered by all major news media, thus allowing comparisons across news channels. Metz provides a good in-depth look at how the business press covered the crash.³

Third, we believe that studies of media content should go beyond broad descriptions of news categories, such as “politics and government,” “war and defense,” and “economic activity,” and focus on specific issues and events in order to add to our understanding of the dynamics of media coverage as it evolves over time and in historical context.

We assume that news sources have different organizational affiliations that help indicate their position in the power structure. The large majority of sources used in news stories are identified with particular organizations. “Average citizens” without organizational affiliations make their way into the news in times of personal triumph or tragedy (saving a child, dying in an accident) but they rarely appear in major news stories except as the “man in the street” reactor to news events.

The second assumption is that from these affiliations derive different primary missions. Organizations exist for different purposes and therefore have different agendas. For example, businesses, whether large corporations or small Mom and Pop outfits, have the primary mission of making money for their owners. Governments, whether federal, state, or local, have the primary mission of providing protection and providing services for their constituents. Academics, whether university- or institute-affiliated, have the primary mission of acquiring and disseminating knowledge. Lobbyists, whether for citizens or business groups, have the primary mission of influencing policy. Underlying these assumptions is our conviction that an analysis of sources is essential in understanding press coverage.

In his study of national news production, Gans gives close attention

¹ Of course, journalists do not always reveal their sources. However, in this study we confine ourselves to examining identified sources.

² Jude Wanniski, *The 1988 Media Guide* (Morristown, N.J.: Polyconomics, Inc., 1988) p. 21.

³ Tim Metz, *Black Monday: The Catastrophe of October 19, 1987 . . . and Beyond* (New York: William Morrow, 1988).

to the relationship between sources and journalists, describing it as a dance, with sources doing the leading more often than not.⁴ Molotch and Lester share this source-centric view of news production, suggesting that powerful sources largely determine news by promoting "occurrences" into "events."⁵ Descriptions of news content conceal this underlying web of interests and sources if they do not identify who is saying what.

Who are the sources?

Who are the sources for news? Most often they are government officials and other elites — that is, the powerful. Gans notes that although sources can potentially include anyone, "their recruitment and their access to journalists reflect the hierarchies of nation and society."⁶ He finds that network news and national newsmagazines are dominated by the "knowns," over half of which are government officials. Sigal draws a similar conclusion from his study of the *New York Times* and the *Washington Post*.⁷

We know that news is dominated by official sources and other elites, and we assume that they articulate their own interests. We know less about what these sources say. Do sources respond in a predictable manner based on their affiliation? To what extent do media use similar sources? Do mass and elite news stations differ in their use of sources?

One reason to examine source reliance is our concern that it is a major factor behind the phenomenon of "media convergence," a tendency for all the media to focus on the same story at the same time. Several factors underlie this process, including the herd mentality of the mainstream media as they look to each other for guidance.⁸ Powerful sources represent another important influence: when national leaders speak, they often are able to amplify their voices through the tendency of the elite newspapers to cover them simultaneously.⁹

This potential lack of diversity has intrigued scholars for decades. Several studies now have examined the extent to which the news media resemble each other in content. At the local level, for example, Atwater found substantial duplication in local newscasts,¹⁰ while the national networks show especially strong similarities in news selection.¹¹ The print media have been frequently studied as well, comparing the mix of topics and content,¹² particularly as influenced by the wire services.¹³ Becker and Whitney confirmed this tendency for "gatekeepers" to assemble a mix of stories in roughly the same proportions that the wires make them available.¹⁴ Newspapers appear to agree less on selection of specific stories.¹⁵

The original agenda-setting study by McCombs and Shaw is one of

Herbert Gans, *Deciding What's News* (New York: Vintage, 1979), p. 116.

⁴ Harvey Molotch and Marilyn Lester, "News as Purposive Behavior: On the Strategic Use of Routine Events, Accidents and Scandals," *American Sociological Review*, 39:101-112 (1974).

⁵ Gans, *op cit.*, p. 119.

Leon V. Sigal, *Reporters and Officials: The Organization and Politics of Newsmaking* (Lexington, Mass.: D.C. Heath, 1978).

⁸ Stephen Reese and Lucig Danielian, "Inter-Media Influence and the Drug Issue: Converging on Cocaine," in P. Shoemaker, ed., *Communication Campaigns About Drugs: Government, Media and the Public*. (Hillsdale, N.J.: Erlbaum, 1988).

⁹ Lucig Danielian and Stephen Reese, "A Closer Look at Inter-Media Influences on the Agenda-Setting Process: The Cocaine Issue of 1986." in P. Shoemaker, *op cit.*

¹⁰ Tony Atwater, "Product Differentiation in Local TV News," *Journalism Quarterly*, 61:757-762 (Winter 1984); T. Atwater, "Consonance in Local Television News," *Journal of Broadcasting*, 30:467-472 (1986).

the few to compare agendas across both print and national broadcast media, finding substantial agreement.¹⁶ More recently, Stempel's comparison of the networks, prestige, local newspapers and *USA Today* showed a similar pattern of agreement in the news "mix," the relative categorical proportions of news.¹⁷ Lasorsa and Wanta also found substantial agreement in the agendas of four media, a local daily newspaper, the *New York Times*, *Newsweek*, and *ABC World News Tonight*.¹⁸ When examining duplication of specific stories, however, Stempel found much less agreement, except among the three networks. Stempel is unclear, however, on how similar two "stories" must be before they are considered the same "story."¹⁹ More research is needed on the similarity of source agendas across media. We may expect this similarity to be especially strong for those big stories, such as the stock market crash.

The media may more often duplicate sources than stories. Prominent sources often range across a number of separate news stories. If Henry Kissinger appears in two stories the same day, one about aid to the Nicaraguan Contras and the other about guerrillas in El Salvador, the stories would differ but the source and corresponding point of view presumably would not.

Study Hypotheses

We test this media consonance notion as it relates to source selection. Based on the consonance literature, we hypothesize that:

- 1) The media will not differ in their use of sources with different institutional affiliations.

Of course, there is the possibility that source selection is largely irrelevant, for it matters only if different sources are saying different

¹⁶ David L. Altheide, "Three-in-One News: Network Coverage of Iran," *Journalism Quarterly*, 59:482-486 (Autumn 1982); James K. Buckalew, "News Elements and Selection by Television News Editors," *Journal of Broadcasting*, 14:47-54 (1969); James A. Capo, "Network Watergate Coverage Patterns in Late 1972 and Early 1973," *Journalism Quarterly*, 60:595-602 (Winter 1983); James R. Dominick, "Business Coverage in Network Newscasts," *Journalism Quarterly*, 58:179-185, 191 (Summer 1981); Joe S. Foote and Michael E. Steele, "Degree of Conformity in Lead Stories in Early Evening Network TV Newscasts," *Journalism Quarterly*, 63:19-23 (Spring 1986); Joseph S. Fowler and Stuart W. Showalter, "Evening Network News Selection: A Confirmation of News Judgement," *Journalism Quarterly*, 51:712-715 (Winter 1974); Doris Graber, "Press Coverage Patterns of Campaign News: The 1968 Presidential Race," *Journalism Quarterly*, 48:502-512 (Autumn 1971); Albert Heister, "Five Years of Foreign News in the U.S.: Television Evening Newscasts," *Gazette*, 24:88-95 (1978); James B. Lemert, "Content Duplication by the Networks in Competing Evening Newscasts," *Journalism Quarterly*, 51:238-244 (Summer 1974); Milan D. Meeske and Mohamad Hamid Javaheri, "Network Television Coverage of the Iranian Hostage Crisis," *Journalism Quarterly*, 59:641-645 (Winter 1982); Daniel Riffe, Brenda Ellis, Momo K. Rogers, Roger L. Van Ommeren and Kieran A. Woodman, "Gatekeeping and the Network News Mix," *Journalism Quarterly*, 63:315-321 (Summer 1986); Guido H. Stempel and John W. Windhauser, "The Prestige Press Revisited: Coverage of the 1980 Presidential Campaign," *Journalism Quarterly*, 61:49-55 (Spring 1984); James B. Weaver, Christopher J. Porter and Margaret E. Evans, "Patterns of Foreign News Coverage on U.S. Network TV: A 10-Year Analysis," *Journalism Quarterly*, 61:356-363 (Summer 1984).

¹⁷ Stanley K. Bigman, "Rivals in Conformity: A Study of Two Competing Dailies," *Journalism Quarterly*, 25:127-131 (June 1948); Thomas R. Donohue and Theodore L. Glasser, "Homogeneity in Coverage of Connecticut Newspapers," *Journalism Quarterly*, 55: 592-596 (Autumn 1978).

¹⁸ Scott Cutlip, "Content and Flow of AP News from Trunk to TTS to Reader," *Journalism Quarterly*, 31:434-446 (Fall 1954); D. Gold and J.L. Simmons, "News Selection Pattern Among Iowa Dailies," *Public Opinion Quarterly*, 29:425-430 (Fall 1965); Paul B. Snider, "Mr. Gates Revisited: A 1966 Version of the 1949 Case Study," *Journalism Quarterly*, 44:419-427 (Autumn 1967).

¹⁹ D. Charles Whitney and Lee Becker, "Keeping the Gates for Gatekeepers: The Effects of Wire News," *Journalism Quarterly*, 59:60-65 (Spring 1982).

¹⁶ Guido H. Stempel, "Uniformity of Wire Content in Six Michigan Dailies," *Journalism Quarterly*, 36:45-48, 129 (Winter 1959).

¹⁷ Maxwell E. McCombs and Donald L. Shaw, "The Agenda Setting Function of the Mass Media," *Public Opinion Quarterly*, 36:176-184 (Summer 1972).

¹⁸ Guido H. Stempel, "Gatekeeping: The Mix of Topics and Selection of Stories," *Journalism Quarterly*, 62:791-796, 815 (Winter 1985).

¹⁹ Dominic L. Lasorsa and Wayne Wanta, "The Effects of Personal, Interpersonal, and Media Experience on Issue Salience," paper presented to the Political Communication Division of the International Communication Association, New Orleans, 1988, and in press, *Journalism Quarterly*.

¹⁶ Stempel, "Gatekeeping," *op cit*.

things. Because news sources have different organizational affiliations with different primary missions and perspectives, we expect them to focus on different aspects of the crisis and literally see — and report — different things.

Evidence for the effect of psychological factors on perception abound, including the effect of motivation,²⁰ prior experiences,²¹ and attitudes.²² Furthermore, regardless of perceptual differences that may exist among sources because of their organizational backgrounds, we know that some sources desire to persuade and may deliberately promote certain images and impressions over others. Indeed, this in some cases is the source's job. The result will be, we hypothesize, that different sources with different organizational affiliations will:

- 1) Differ in the degree to which they make statements about causes and effects of the crisis; and
- 2) Differ in the kinds of statements they make about the causes and effects of the crisis.

Method

Every story in the news sections of the *New York Times* and the *Wall Street Journal*, and every story in *Newsweek* and on the CBS Evening News during the month of October and November 1987 were examined for references to the stock market and Wall Street. To code the newscasts, abstracts of the CBS broadcasts were obtained from the Vanderbilt University *Television News Index and Abstracts*. These abstracts identify all sources used in a story. Television stories were defined as one or more reports under the major underlined story headings listed in the *Abstracts*. All stories which mentioned the stock market or Wall Street were coded in their entirety. This study, then, is based on a census, not a sample.

In each story, all sources were identified by the coder. Coders noted what, if anything, the source said about the causes and effects of the stock market crash. Each source was categorized according to his or her organizational affiliation. The seven broad organizational affiliations we used to categorize sources were:

- 1) *Business*, someone who was identified as representing, owning, or working for a large corporation or a small business;
- 2) *Government*, either federal, state, or local, including elected officials, appointees, and spokespersons;
- 3) *Academic*, someone representing either a university or policy institute;
- 4) *Wall Street*, without any more specific organizational citation; these include mostly brokers, traders, and investors;
- 5) *Lobbyists*, either citizens or business;
- 6) *Foreign*, and
- 7) *Unspecified*.

Each source in each story was examined for comments about causes

²⁰ David C. McClelland and J.W. Atkinson, "The Projective Expression of Needs: I. The Effect of Different Intensities of the Hunger Drive on Perception," *Journal of Psychology*, 25:206-222 (1948).

²¹ H.H. Toch and R. Schulte, "Readiness to Perceive Violence as a Result of Police Training," *British Journal of Psychology*, 52:389-393 (1961).

²² Albert H. Haastorf and Hadley Cantril, "They Saw a Game: A Case Study," *Journal of Abnormal and Social Psychology*, 49:129-34 (1954).

of the crash. Their response was placed into one of 14 predetermined broad categories we thought responses might fall into, based on recollection of coverage at the time. Responses actually fell into only 13 of the 14 categories. No source mentioned the Federal Reserve System as a cause of the crash.²³

Each source also was examined for comments made about effects of the crash. As with the causes, mentions of effects were placed into one of 14 broad categories we thought responses might fall into. Again, responses actually fell into only 13 of the 14 categories; no source said the crash would affect mostly the wealthy.²⁴

Using our predetermined categorization scheme, an independent coder was used to code the data. A second coder was employed to double-code 13% of the data. Intercoder reliability, as measured by Cronbach's Alpha, was found to be acceptable (.86 for the affiliation measure, .80 for the causes and .78 for the effects).

Results

Individual stories varied widely in the number of unique sources cited. In the 167 stories analyzed, 1,022 sources were used, for a mean of 6.1 sources per story. The most sources employed in one story was 36. At the other extreme, 21 stories contained only one source. The 1,022 sources were not evenly distributed across the four media. As one might expect, the newspapers used more sources than did the broadcasts. About 45% (465) of the total number of sources cited in the four media appeared in the *New York Times*. See Table 1.

Table 1
Frequency of Stories and Sources, By Medium

	Medium				Total
	Times	Journal	Newsweek	CBS	
Total Stories	89	37	18	23	167
Total Sources	465	257	189	111	1022
Mean Sources per Story	5.3	6.9	10.5	4.8	6.1
Maximum Sources per Story	36	22	31	15	36
Minimum Sources per Story	1	1	2	1	1

Sources did not speak much of causes. Four of five sources made no mention of causes of the crash, and only 2% of the sources quoted in a story cited more than one reason. The most commonly mentioned cause of the crash, cited by 21% of the sources, was the national debt, followed by computerized trading practices. See the last column of Table 2.

²³ The 14 categories are: 1) *Trade Deficit*; 2) *Interest Rates*; 3) *the National Debt*; 4) *Computerized Trading Practices*; 5) *Presidential Policy*; 6) *the Federal Reserve System*; 7) *Partisan Politics*; 8) *a Sick Economy*, with no more specific cause mentioned; 9) *the Market was Overvalued*; 10) *Unequal Wealth Distribution*; 11) *Wild Speculation*; 12) *Uncertain Causes*; source says causes are uncertain or unknown; 13) *Unspecified Causes*: source says there are definite causes but leaves them unspecified; and 14) *Other Miscellaneous Causes* not listed above.

²⁴ The 14 categories are 1) *Speedy Stabilization*: The crash was just a glitch in a generally sound stock market and the economy therefore quickly will (already has) stabilize. 2) *Crash Won't Spread*: The crash was a serious market downturn but it will not spread much, thanks to market safeguards. 3) *Wealthy Affected*: The wealthy, not the average citizen, will be (has been) affected most adversely. 4) *Confidence Down*: Public and investor confidence is (will be) down, affecting spending. 5) *Small Business Hurt*: The crash will adversely affect small businesses. 6) *Small Investor Shy*: Small investors will shy away from the market. 7) *Partisan Cooperation*: The crash will make national leaders (President, Congress) cooperate more on economic matters. 8) *Taxes Needed*: The crash demonstrated the need for a wealth tax or other taxes. 9) *Realty Hurt*: Real estate will be adversely affected. 10) *Uncertain Effects*: The crash may or may not have serious effects, we'll have to wait and see. 11) *Unspecified Effects*: The crash will have serious but unspecified effects. 12) *Economic Decline*: The general economy will worsen. 13) *Economic Strictures*: Constraints on the economy (e.g., credit tightening) will be instituted. 14) *Other Miscellaneous Effects*: Specific effects other than those listed.

Sources talked considerably more about effects of the crash than they did causes. Four in 10 sources mentioned an effect of the crash.²⁵ Fifteen percent of the sources said the crash demonstrated the need for partisan cooperation to deal with the crisis, another 13% of the sources said they still were uncertain whether the crash would have serious effects or not, and 10% said the crash disproportionately would effect the health of small businesses. See the last column of Table 3.

Did sources with certain organizational affiliations tend to cite causes only, effects only, both or neither? We found that some sources with other organizational affiliations tended to mention effects but not causes. None of the lobbyist sources, nearly all representing business groups,²⁶ and only 8% of the business sources gave a cause for the crash, far less than any other groups. See the last row of Table 2. However, these lobbyist and business sources cited effects considerably more than did any other groups, 71% and 68%, respectively. See the last row of Table 3.

On the other hand, sources that cited causes tended not to cite effects. Thirty-one percent of the government sources and 28% of the foreign sources gave a cause for the crash, far more than any other groups. See the last row of Table 2. However, foreign sources were the least likely to cite crash effects, and less than half of the government sources cited an effect. See the last row of Table 3.

Table 2
Causes of Crash Cited, By Source and Percent

	Source						
	Biz	Govt.	Academic	Wall St.	Foreign	Unspec	Total
N =	8	45	15	85	10	31	194
Cause							
Deficit	13	38	20	15	30	13	21
Computer	0	16	0	22	0	16	16
Trade	0	7	0	13	50	7	11
Interest	25	7	0	12	0	16	10
Unspecific	0	4	20	9	0	3	7
Policy	0	7	7	2	10	13	6
Unknown	25	7	20	2	0	0	5
Overvalu	0	4	7	7	0	0	5
Partisan	0	7	7	2	0	7	4
Economy	13	0	0	1	0	0	1
Inequity	0	0	13	0	0	0	1
Speculatn	0	0	0	0	0	3	1
Other	25	4	7	13	10	23	12
Total	9	31	20	17	28	18	20

Note: Cell entries are percentages of the total number of causes cited by each source type. (No lobbyist source cited a cause of the crash.) See Note 23 for an explanation of the cause labels.

Table 2 shows that the organizational affiliation was related to causes cited. Business sources blamed the crash heavily on interest rates and, to a lesser extent, the national deficit. They also pointed to a generally "sick" economy, with no more specific cause mentioned. These sources also said the cause of the crash was unknown or uncer-

²⁵ Only 2 percent of the sources in a story gave more than one effect, and only 1 percent of the 1,022 sources cited three effects.

²⁶ Only seven sources were lobbyists; one was for a citizens group and the rest were business groups.

tain. A quarter of them cited reasons for the crash other than the 14 we categorized.

Spreading the blame

Government sources heavily blamed the crash on the national deficit and, to a lesser extent, computerized trading practices. Government sources spread some of the blame over many of the other causes, as well, and only 4% cited reasons other than those we categorized.

Academic sources also cited a large number of reasons for the crash and they alone mentioned inequity in the distribution of wealth as a cause. Sources identified only as from "Wall Street" without any more specific organizational affiliation heavily blamed computerized trading practices for the crash but they also spread the blame among a large number of sources, especially the national debt, the trade deficit and interest rates.

Table 3 shows that the organizational affiliations of sources also makes a difference in what effects, if any, they cited. Many business sources were not sure if the crash would have serious effects but many said small businesses would suffer, and many others said real estate would suffer.

Table 3
Effects of Crash Cited, by Source and Percent

N = Effect	Source							Total
	Biz	Govt	Academic	Wall St.	Lobby	Foreign	Unspec	
	61	68	39	167	5	8	48	396
Partisan	2	40	13	11	0	25	15	15
Cooperation								
Uncertainty	25	6	10	11	40	0	15	13
Small Biz	23	2	10	9	0	0	15	10
Hurt								
Economic	5	6	8	10	0	13	15	9
Decline								
Confidence	8	3	26	8	0	0	4	8
Down								
Economic	0	9	5	4	20	13	4	5
Strictures								
Speedy	2	7	0	7	0	0	2	5
Stabilization								
Real Estate	16	0	0	2	20	0	4	4
Hurt								
Unspecified	2	6	0	1	20	0	2	2
Need Taxes	0	6	0	1	0	0	2	2
Crash Won't	0	2	5	1	0	0	2	1
Spread								
Small	0	0	0	2	0	0	2	1
Investor Shy								
Other Effect	18	15	23	34	0	50	19	25
Total	68	47	52	34	71	22	27	39

Note: Cell entries are percentages of the total number of effects cited by each source type. See Note 24 for an explanation of the effect labels.

Forty percent of the government sources stated that the crash would prompt more cooperation between the President and Congress. Academic sources most often said the crash meant lower public and

investor confidence and a consequent decrease in consumer spending, and a fair number also cited effects beyond those we categorized.

Since these are census data, sampling error is not relevant and a test of the statistical significance of the differences across these tables is inappropriate.²⁷

Since sources with different organizational affiliations commented on different aspects of the crash (i.e., causes or effects), and made different comments about the causes and effects of the crash, the question emerges: Did different media rely on sources with different organizational affiliations? The answer is "yes." As Table 4 shows, the three print media relied heavily on sources whose organizational affiliation was given only as "Wall Street" (which included but were not limited to brokers, traders, and investors). In contrast, the CBS Evening News, relied much less heavily on Wall Street sources and more heavily than the other media on government sources. *Newsweek*, however, also relied heavily on government sources, more so than did the newspapers. Academic sources were used rarely in the broadcasts and most heavily by *Newsweek*. Foreign sources were used most heavily by the network, which also used a large number of sources with organizational affiliations outside our categorization scheme.

Table 4
Source Affiliations, by Medium and Percent

N =	Medium					Total
	Times	Journal	Newsweek	CBS		
Sources	465	257	189	111		1,022
Business	9	7	9	12		9
Government	9	13	22	23		14
Academic	9	5	10	2		7
Wall Street	52	65	38	12		48
Lobby	0	1	2	0		1
Foreign	4	1	5	7		4
Unspecified	17	7	15	44		17

Note: Cell entries are the percentages of the total number of source types cited by the media.

Because sources with different organizational affiliations made different comments about the crash, and because the four media differed in the organizational affiliations of the sources they used, it follows that the messages in the different media about the crash's causes and effects should differ. This, in fact, was the case.

The most cited cause for the crash in three of the media was the national debt. For the *Journal*, however, that was one of the least cited causes; the most cited cause in the *Journal* was computerized trading practices, followed by the trade deficit. The second leading cause of the crash, according to the *Times* sources, was computerized trading practices. According to the Evening News sources, it was presidential policy-making and partisan politics (a tie), and according to *Newsweek*

²⁷ For a discussion of this point, see Earl Babbie, *The Practice of Social Research*, Third Edition, (Belmont, CA: Wadsworth Publishing Co., 1988), p. 426-7. Even though we dealt here with a census of stories, some researchers favor including statistical measures of significance as a guide for interpreting strengths of relationships. Most of our tables would have been considered statistically significant had we been dealing with a sample. The table numbers and associated Chi-square values and significance levels are as follows: Table 2, $X^2 = 121.6$, p is less than .01; Table 3, $X^2 = 170.8$, p is less than .001; Table 4, $X^2 = 163.6$, p is less than .001; Table 5, $X^2 = 83.0$, p is less than .001; Table 6, $X^2 = 125.5$, p is less than .001.

sources, it was presidential policy-making. The sources also differed considerably in the diversity of opinion expressed about the causes. The Evening News sources made no mention of half of the causes of the crash. By contrast, the *Times* made mention of all but three. See Table 5.

Table 5
Mentions of Causes of Crash, by Medium and Percent

N=	Medium				Total
	Times	Journal	Newsweek	CBS	
Cause	92	47	40	15	194
Deficit	24	6	22	47	21
Computer	15	23	15	0	16
Trade	7	19	13	7	11
Interest	12	13	8	0	10
Unspecific	12	4	3	0	7
Policy	0	2	20	13	6
Overvaluation	5	4	5	0	5
Unknown	4	13	0	0	5
Partisan	7	0	0	13	4
Economy	0	0	3	2	1
Inequity	2	0	0	0	1
Speculation	0	0	0	7	1
Other Cause	12	13	13	13	13
Total	47	24	21	8	100

Note: Cell entries are the percentages of the total number of causes cited by sources in each medium. See Note 23 for an explanation of the labels.

A similar pattern emerges in the citation of crash effects. The *Times* and the *Journal* sources most often cited uncertainty about the effects of the crash. *Newsweek* and the Evening News, however, cited partisan cooperation most often as an effect. That was the second-most mentioned effect of the crash in the *Times*. The second most-cited effect in the *Journal* was a general economic decline. According to *Newsweek* sources, it would be economic strictures, and according to the Evening News the crash would result in a decline in public confidence and the suffering of small businesses (a tie). Again, the diversity of opinions expressed about the effects of the crash was lowest on the Evening News and highest in the *Times*. Sources on the Evening News made no mention of five possible effects of the crash; the *Times* mentioned them all. See Table 6.

Discussion

Since sources with different organizational affiliations said different things about the causes and effects of the crash, and since the media varied in their use of these sources, it is reasonable to ask whether audiences received a different picture of the causes and effects of the crash, depending upon the medium they relied on.

One of the more compelling findings of this study is the difference in the use of sources by the print media and the broadcast network. Table 4 confirms the fact that television relies more heavily on unattributed sources. Of those CBS sources with specified affiliations, which presumably were considered more important than sources left unspecified, government officials accounted for 41%. Table 5 shows

Table 6
Mentions of Effects of Crash, by Medium and Percent

N = Effect	Medium				Total
	Times	Journal	Newsweek	CBS	
	92	47	40	15	194
Partisan	15	8	18	24	15
Cooperation					
Uncertainty	16	17	4	9	13
Economic	8	9	11	7	9
Decline					
Confidence	9	7	8	10	8
Down					
Small Biz	9	7	8	10	8
Hurt					
Speedy	4	7	6	0	5
Stabilization					
Economic	3	0	17	0	5
Strictures					
Realty Hurt	5	7	3	0	4
Tax Needed	2	0	1	2	2
Unspecified	1	1	5	3	2
Crash Won't	1	5	0	0	1
Spread					
Small	2	0	0	0	1
Investor Shy					
Other Effect	30	9	24	32	25
Total	46	19	20	15	100

Note: Cell entries are percentages of the total number of effects cited by in each medium. See Note 24 for an explanation of the labels.

the consequences of this reliance. Sources on CBS cited substantially different reasons for the crash than those in the print media. For example, the deficit was mentioned on CBS twice as much as in the other media, and CBS sources missed the computer angle entirely. These data appear to support the charge that television news, relative to the print media, presents superficial coverage using easily accessible, routine sources.

The notion then that the national media are all alike in the messages they convey is contradicted here. The media give their audiences the same "story" — all the media extensively covered the crash — but that story differed significantly in sources used — and therefore in emphasis.

These findings point out important differences in both media audience and function. The *Wall Street Journal* first and foremost serves the financial community. The *New York Times* is the newspaper of the national elite across institutional sectors. Network newscasts and *Newsweek* appeal to a more mass audience. The elite serve an important role in coordinating and policing the boundaries of elite opinion. The differences in functions are suggested by the readership of the elite press.

In her article, "What America's Leaders Read," Weiss found that the *New York Times* "comes closest to being the national newspaper of the elite."²⁸ The *Wall Street Journal* is read more often by economic managers and owners, while the *Washington Post* was

²⁸ Carol Weiss, "What America's Leaders Read," *Public Opinion Quarterly*, 33:1-22 (Spring 1974).

preferred by the Washington officialdom elite. All sectors of the elite read the newsweekly magazines regularly. Network news viewing was not examined. Although it has important consequences for the elite, TV news probably does not play a major role in elite opinion formation, but rather in reaction to breaking news events.

Lasswell suggested that communication serves three important societal functions: surveillance, correlation, and transmission of the social heritage.²⁹ The elite media may serve to correlate "the parts of society in responding to the environment," by allowing a consensus to be developed among intersecting elites for important national issues. This correlation function becomes particularly important in these times of growing societal complexity, differentiation and specialization.

It is reasonable to expect that a consensus may develop in sector-specific media, such as the *Wall Street Journal*, then be picked up quickly in a trans-sectoral channel like the *New York Times*. In turn, the newsmagazines and networks look to these elite media for guidance in their own coverage. We will explore this process in future analysis by examining the evolution of the stock market story as it played itself out in both the elite and mass press. In particular, this flow of influence may be made particularly apparent by examining the sources that are allowed to present their views and frame issues in the national media.

²⁹ Harold D. Lasswell, "The Structure and Function of Communication in Society," in Wilbur Schramm and Donald F. Roberts, eds., *The Process and Effects of Mass Communication*, (Urbana: University of Illinois Press, 1971).

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