Gotcha? You Betcha!

By Marty Kaplan

John McCain and Sarah Palin have been complaining that there’s too much “gotcha journalism” going around.

If only.

When they say “gotcha journalism,” what they’re really trying to do, of course, is to demonize journalism itself — to de-legitimize asking tough questions, and following up with more tough questions when the answers are mealy-mouth evasions, and holding politicians accountable when they inadvertently emit a truth.

McCain says gotcha journalism is reporting that Palin, at a public event, told a voter her thoughts about attacking terrorist targets in Pakistan — which inconveniently is the same view that McCain is excoriating Obama for holding.

The McCain camp cried gotcha journalism when Charles Gibson asked Palin whether she agrees with the Bush Doctrine, and when Katie Couric asked her what Supreme Court cases she disagrees with, and when Gwen Ifill asked her about the powers of the vice president. But I didn’t hear Republicans complain about gotcha journalism when debate moderator George Stephanopoulos twice asked Obama, “Does Reverend Wright love America as much as you do?”

If gotcha journalism means asking presidential candidates which of their dreams will have to be deferred because of the $700 billion bailout, as a frustrated Jim Lehrer did again and again, then maybe we need more of that kind of questioning, not less.

We certainly could have used more gotcha journalism during the decade leading up to the worst economic debacle since the Great Depression.

In 1999, when the Glass-Steagall Act was repealed, letting commercial banks go into the investment banking and insurance businesses, the country would have been a lot better off if the mainstream media had paid gotcha attention to the downside of deregulation, instead of being obsessed by the mythical Y2K bug.

In 2000, when Senator Phil Gramm slipped a measure forbidding the SEC and the CFTC from regulating credit default swaps into the omnibus spending bill, imagine if the press had blown the whistle on that...
lobbyist-owned legislator taking advantage of the final moments of a lame-duck session of Congress instead of focusing single-mindedly on the hanging chads story.

In 2003, when Alan Greenspan told global investors that he was going to keep the Fed Funds rate at an unappetizing one percent, thus opening the global floodgates to the mortgage backed securities industry, just think what might have happened if the surge in no-income-no-asset mortgages had been covered as intensely as the goings-on at Michael Jackson’s Neverland Ranch.

In 2006, when the size of the global collateralized debt obligation market approached $2 trillion, with Bear Stearns, Merrill Lynch and Wachovia becoming the top CDO underwriters, consider how investigative journalism might have revealed the fatal vulnerability of those houses to toxic assets when the housing bubble would inevitably burst, rather than spending its energies falsely convicting the Duke lacrosse team of rape.

In 2007, when the subprime mortgage fiasco hit, think how things might have played out differently at Fannie Mae and Freddie Mac if cable news had spent as much time covering the liquidity crisis as it did the death of Anna Nicole Smith.

In 2008, when SEC chairman Chris Cox told the Senate Banking Committee that he wanted no increased authority and no increased budget to oversee conflict-of-interest riddled credit rating agencies like Moody’s, what if the consequences of Cox’s emergency ban on naked short-selling - bizarrely lasting only one month and affecting only 19 companies — had been pursued as aggressively as the first photos of the Brangelina twins?

We could have used a whole lot more gotcha journalism about Wall Street and banking deregulation than most people regularly encountered over the past decade. And we would have been better served as citizens if terms like “naked short selling” and “mark-to-market” and the rest of the gobbledygook now haunting us had long ago become part of the minimum daily dose of financial literacy delivered to us by the news media.

The exceptions to this journalistic inability to know what’s important, and to explain what’s difficult, are worth celebrating. Chief among them are public radio programs like This American Life and Planet Money, and public radio reporters like Alex Blumberg and Adam Davidson.

There’s no better way for a lay person to understand the current crisis than by listening to two episodes of This American Life - “The Giant Pool of Money,” which aired last May, and “Another Frightening Show About the Economy,” which aired last weekend. And while you’re at it, check out the “Now You SEC Me, Now You Don’t” segment of This American Life from last month, and the two interviews with former CFTC director Michael Greenberger that Fresh Air host Terry Gross did in April and September.

Yes, reporters for business publications like The Wall Street Journal have also kept their eye on the ball, but the real need was and is for mass media to serve as storytellers for general audiences, as Paul Reveres to warn ordinary citizens when the redcoat-wearing masters of the universe are coming. If the
kind of gotcha journalism that so irritates John McCain and Sarah Palin were more woven into the fabric of our civic life, we might not be in the mess now consuming us.

The benign explanations for this failure of journalism are the inherent complexity of the financial story, and the imperative of media conglomerates to maximize profit, which means cultivating and satisfying the audience’s appetite for entertainment.

But there’s also a less benign explanation for the media’s negligence, and it’s captured by something President Andrew Jackson said nearly two centuries ago: “If the people only understood the rank injustice of our money and banking system, there would be a revolution before morning.”

“If the people only understood”: that’s the news media. “A revolution before morning”: that’s the opposite of sucking it up for a $700 billion bailout.

(This is my column for The Jewish Journal of Los Angeles, where you can email me if you’d like.)

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