POLICY BRIEFS ON LAVA JATO

Captured Media?
Examining Brazilian Coverage of Lava Jato

Daniela Campello
Anya Schiffrin
Karine Belarmino
Debora Thome

Edited by
Paul Lagunes
Jan Svejnar
ABOUT THE PROJECT

Lava Jato or Operation Car Wash refers to Latin America’s largest known corruption scheme in living memory. Related events began unfolding in Brazil in March of 2014. Construction companies were colluding with employees of Brazil’s state-owned oil company to win public works contracts. The oil company’s employees took bribes, while politicians obtained kickbacks as personal gifts or campaign donations.

The relevant scholarship had warned that corruption could result in public works being constructed at inflated costs. However, such warnings were ignored, and so the people involved in the scheme managed to steal billions in state funds. Prosecutors further revealed that bribes paid by the region’s largest construction group extended to eleven other countries besides Brazil.

In spite of the continued interest among policy practitioners and academics, there are key questions about Lava Jato that remain unanswered. For instance, how did the construction company that led the corruption scheme choose the countries in which to do business? According to the international press, the scheme played a role in the 2014 World Cup, but was corruption also at work in the planning and execution of the 2016 Rio Olympics? Also, what is motivating some of the key actors fighting corruption in Brazil, and what can be done to avoid similar corruption scandals in the future?

To answer these and related questions, the Center on Global Economic Governance (CGEG) at Columbia University’s School of International & Public Affairs has collected a series of policy briefs on Lava Jato-related themes. This project is proudly cosponsored by the Center for Development Economics and Policy (CDEP), Columbia Global Center in Rio, and the Latin America Initiative at Rice University’s Baker Institute for Public Policy with the goal of shedding light on a complex problem that has affected the lives of millions.

Daniela Campello is an associate professor of Politics and Public Policy at the School of Public and Business Administration of the Getulio Vargas Foundation (FGV), Brazil.

Anya Schiffrin is the director of the Technology, Media and Advocacy specialization at Columbia University’s School of International and Public Affairs.

Karine Belarmino is a PhD student at the University of Minnesota.

Debora Thome is a PhD Candidate in Political Science at Universidade Federal Fluminense (Rio de Janeiro) and was a visiting scholar at Columbia University in 2018.
Captured Media? Examining Brazilian Coverage of Lava Jato

Daniela Campello
Anya Schiffrin
Karine Belarmino
Debora Thome

Abstract

This paper showcases some of the recent research about media coverage of Lava Jato, a topic that galvanized the electorate in the years it unfolded. Recent academic research finds that the coverage was excessively focused on the left-leaning Workers’ Party, and particularly lenient with the other political parties involved in the scandal. More time and attention was given to Workers’ Party officials accused of corruption than officials in other parties. Whether this bias contributed to the October 2018 election of far-right Presidential candidate Jair Bolsonaro is a question for further research. Certainly, the question of media bias has become more urgent and relevant as have questions about the role of social media, particularly WhatsApp, in spreading disinformation before the election.

1 Acknowledgements: research assistance by Chloe Oldham and Nadia Kanji.
Introduction

Was press coverage of Lava Jato fair? Did journalists from mainstream media spend too much time focused on the alleged wrongdoing of politicians from the Workers’ Party (PT) while downplaying the corruption of the more conservative Brazilian Democratic Movement (PMDB) and Brazilian Social Democracy Party (PSDB)? Scholars are just starting to research these questions but the first crop of studies suggest that, yes, mainstream media in Brazil devoted more time and space to reporting on corruption in the Workers’ Party than in other parties. This may have given the impression that the Workers’ Party officials were more corrupt than those of other parties. As well, the tenor of the reporting on the Workers’ Party was more critical than coverage of other parties and more supportive of impeachment, this policy brief suggests that some studies found.

Further details will be provided below in this essay, but in summary: five quantitative studies covering the periods of 2016-2018 found that the left-of-center Workers’ Party received more and more critical coverage when compared to the coverage given to the more conservative PMDB and PSDB parties. The legacy media in Brazil, and the dominant Globo group, have historically been identified with business interests in Brazil and thus instinctively took positions critical of Workers’ Party. In doing so, the media may have inadvertently contributed to a climate in which Jair Bolsonaro was able to win. Worries about the role of Brazilian media resemble the

---

debate in other countries that have seen the rise of right-wing politicians since 2016. For example, in the UK, the reporting by conservative media⁴ is thought to have affected⁵ voter attitudes to Brexit. In the US there is discussion about whether mainstream media helped pave the way for the victory of right-wing political candidates partly by amplifying and repeating their claims.⁶⁷⁸ This is particularly true of corruption accusations, which in the US may have skewed the 2016 presidential election against Hillary Rodham Clinton and in favor of Donald Trump. If the Brazilian media coverage of Lava Jato similarly amplified conservative claims against the left, then a further research question is whether that reporting contributed in some way to the Bolsonaro victory. Adding to the complexity of the Brazilian case is the fact that since the 2018 election there has been worry about the role of WhatsApp in spreading disinformation from the Bolsonaro campaign⁹.

These studies of Brazilian media come at a time when Brazil and many other countries have become polarized and trust¹⁰ in the media has fallen¹¹ globally¹² as journalists face accusations of bias. This drop in trust has been deeply worrying for journalists and media.

---

⁶ Jamieson, Kathleen. Cyberwar: How Russian Hackers and Trolls Helped Elect a President What We Don’t, Can’t, and Do Know. Oxford University Press, 2018
⁸ Moore, Kerry, Berry, Mike and Garcia-Blanco, Inaki. “Saving refugees or policing the seas? How the national press of five EU member states framed news coverage of the migration crisis.” Justice, Power and Resistance 2(1), pp. 66-95, 2018.
development practitioners who argue that the need for independent, fact-based reporting is stronger than ever. Without careful and thorough reporting, that holds government and business to account, there is little hope for democracy. It is a truism that citizens need to be informed in order to make sound decisions. Reporting on corruption is viewed as an essential part of the role of the Fourth Estate. Indeed, coverage of tax avoidance and corruption in Latin America is viewed by journalists as a sign of independence and a healthy climate for investigative reporting. These lofty ideals, however, come into conflict with the reality of Latin American media—highly polarized, often owned by large business interests, and historically skewed to the agendas of the elites and ruling parties, a condition known as media capture.\textsuperscript{13,14}

It must be said that the academic emphasis on media capture and the findings of bias in the coverage of Lava Jato are at odds with the narrative of the Brazilian journalists who see their reporting of Lava Jato as part of the recent trend of cross-border reporting on corruption. This trend is exemplified by the pioneering work of the International Center for Investigative Journalism (ICIJ) who brought together international teams of reporters, from different outlets, to collaborate on the Panama Papers (2016), Swiss Leaks (2015), and Lux Leaks (2014). The journalism community has been galvanized\textsuperscript{15} by the possibilities\textsuperscript{16} of cross-border\textsuperscript{17}

\begin{itemize}
\item \textsuperscript{13} Marquez, Mireya & Alejandro Guerrero. “Clientelism and Media Capture in Latin America” in Schiffrin, Anya. \textit{In the Service of Power: Media Capture and the Threat to Democracy}. Center for International Media Assistance, February 2017.
\item \textsuperscript{14} The Economist. “Latin America’s New Media are Growing Up,” July 14, 2018.
\item \textsuperscript{16} Domini, Marcela & Thiago Herdy. “Collaboration is the way forward for Brazilian Journalism.” \textit{NiemanLab}. Dec 2017.
\item \textsuperscript{17} Iaquinto, Kalinka. “Transnational journalism networks investigate Brazil’s largest corruption scandal.” \textit{International Journalists’ Network}. July 10, 2018.
\end{itemize}
collaboration\textsuperscript{18} on corruption reporting\textsuperscript{19} as well as on tax avoidance and the last few years have expanded their work to report on big oil, real estate, and reporting on some\textsuperscript{20} of U.S. President Trump’s international\textsuperscript{21} activities. Coverage of Lava Jato across Latin America was a point of pride for many regional journalists. The view that in fact such coverage was politicized may not be welcomed by the journalism community.

\textbf{Journalism as a Check on Corruption: The Theory}

Before we look at the specifics of the Brazilian situation, a few words about how journalism is thought to help the fight against corruption: it is widely believed that by providing information, investigative journalism can play a role in promoting good governance and fighting corruption. In delineating precisely how this works, some social scientists describe both direct and indirect effects of journalism.\textsuperscript{22} Indirect effects include the idea that journalism can help create social norms that hinder cultures of corruption. Direct effects include the “naming and shaming” and scarecrow functions of the press. Moreover, by galvanizing society so that it can take collective action against corruption, media coverage can also make it harder for corruption to take root.\textsuperscript{23}

\textsuperscript{18} Linares, César López. “\textit{Alliances help journalists tackle the Lava Jato case from a global perspective},” \textit{Knight Center for Journalism in the Americas.} July 12, 2017.

\textsuperscript{19} Linares, César López. “\textit{Journalists from 11 countries join efforts for website covering the Lava Jato corruption scandal},” \textit{Knight Center for Journalism in the Americas.} June 14, 2017.

\textsuperscript{20} Davidson, Adam. “\textit{Donald Trump’s Worst Deal},” \textit{The New Yorker}, March 13, 2017.


\textsuperscript{22} Stapenhurst, Rick. “\textit{The Media’s Role in Curbing Corruption},” \textit{WBI Working Papers}, 2000.

However, in order for societies to act on information provided by journalists there have to be “mechanisms of redress” in place and/or entities that are accountable. The media also has to be relatively free to report on corruption and this is why captured media can be a problem. When the media is captured it is no longer free to report but may become a tool of government and corporate interests.

**Does Reporting on Corruption Affect Voter Preferences?**

Whether or not the information provided by journalists affects election results is not clear. Some studies suggest that media reporting on corruption affects election results, although the academic literature is divided as to whether this is true.\(^{24}\) Research in Brazil shows that politicians who are revealed as corrupt are less likely to be reelected, suggesting that local media has an important role in promoting political accountability.\(^{25}\) This effect is particularly pronounced in areas with more radio coverage.\(^{26}\) In contrast with these studies, however, is a field experiment which found that disseminating information to voters about the performance of Members of Parliament in Uganda had no effect on the behavior of the MPs and little effect on voting behavior of citizens.\(^{27}\) Moreover, using the same data as Ferraz & Finan, Brollo and coauthors show that voters seem to be more forgiving of corrupt incumbents who are in office.

---

\(^{24}\) Unpublished paper by LG Bedolla


during periods of government spending. In other words, in boom times voters care less about politicians being corrupt than in lean times.

While it is not clear whether providing information about corruption makes a difference to voting patterns, it is clear that the media has to be free in order to do its job of exposing/preventing corruption. A few different indices measure the importance of a free press in exposing/preventing corruption. Economist Rudiger Ahrend found strong evidence that more press freedom leads to less corruption and concludes that increasing press freedom is thus an important indirect mechanism for fighting corruption. Brunetti and Weder tried to quantify the effect that more press freedom has on corruption, finding that countries with higher levels of press freedom had lower levels of corruption.

There are, of course, plenty of situations in which journalists do not act in good faith and, for various reasons, cannot provide the information society needs to fulfill their part of the social contract. Journalists, newspapers and television stations are often owned by entities with a political or commercial agenda who do not want to see aggressive investigative reporting. The subtle pressure put on journalists is referred to in the journalism studies literature as “soft

---

censorship”\textsuperscript{34} and the term for corporate media owners who are in bed with government is “media capture.”\textsuperscript{35,36,37}

**Media Capture and the Case of Brazil**

Latin America in general\textsuperscript{38} and Brazil\textsuperscript{39}, in particular, have long been known as having high levels of media concentration which has led to both capture and soft censorship.\textsuperscript{40,41} Even after the end of the military regime in Brazil the media remained concentrated in the hands of the government (such as the State Broadcaster) or in the hands of owners with significant business interests. Indeed, a study released in December of 2018 found that media ownership in Brazil is dramatically concentrated and that media outlets are frequently in the hands of politicians, aggravating the likelihood and consequences of media bias and the politicized use of media in Brazil.\textsuperscript{42} Adding to the constraints on reporting is the fact that the Freedom of Information law is rarely used and poorly enforced.\textsuperscript{43}

\begin{footnotes}
\item[40] Censorship would be overt control by government or social media platforms. Soft censorship is when journalists decide themselves to soft pedal coverage often by not covering something or by covering it in a mild way.
\end{footnotes}
As well as direct ownership and limits to information, the media can be softly controlled by receiving government advertising. Campello et al. note that, in 2016, the federal government of Brazil spent R$1.5 billion (US$ 500 million) in advertising mostly in television, exceeding the amount spent on advertising by state-owned companies. From 2009 to 2015, the annual amount exceeded R$ 2 billion each year.

The problem of media concentration received renewed attention during the 2018 presidential campaign when the Workers’ Party proposed a series of measures designed to increase the pluralism of the Brazilian media. These included: (1) regulation of social media; (2) restrictions on direct and indirect monopolies; (3) limits on cross-ownership and vertical integration, as well as on the operation of public concessions by politicians; and (4) initiatives to democratize access to media, such as the universalization of cheap and affordable broadband, and the strengthening of community radio and TV. Many of these initiatives are also included in the programs of Brazil’s left-leaning parties such as the PSOL. Other candidates, whereas publicly showing support for some of these initiatives, did not include them in their programs.

44 Argentina is often cited as a case in point. In “Government Advertising and Media Coverage of Corruption Scandals” American Economic Journal: Applied Economics, 3, October 2011, pp. 119–151, authors Di Tella & Franceschi studied how much the four main newspapers in Argentina reported on government corruption on their front pages during the period 1998-2007, and found the extent of coverage was strongly and negatively correlated with revenues from government advertising.
47 Ibid.
49 Ibid.
Studies on Brazilian Media Coverage of Lava Jato

Many commentators have said that the ownership\(^{52}\) of Brazilian media companies by business-minded and center-right owners contributed to coverage\(^{53}\) that was biased\(^{54}\) against the Workers’ Party. However, the five studies discussed here do not provide reasons for the bias against the Workers’ Party but simply document their findings.

In keeping with the quantitative research traditions of communications scholarship, the studies we cite here looked at narrative framing,\(^{55}\) number,\(^{56}\) and type\(^{57}\) of sources used as well as the amount of space\(^{58}\) and time\(^{59}\) devoted to coverage of different topics, events, or people. The studies focus on the major newspapers or television programs because of their agenda-setting power for the rest of the media as well as for national discourse.

---


\(^{54}\) RSF. “Journalists’ safety and media ownership – two challenges for Rousseff,” November 5 2014.


As in many countries, television still dominates. In Brazil, \textit{Jornal Nacional} (JN), a flagship program of the Grupo Globo, has been the main broadcast news program since its launch in 1969. More than 28 million people from all over the country watch JN on weeknights.\textsuperscript{60} By comparison, the main newspaper in Brazil has 280,000 readers for its daily edition and these are mostly in the state of São Paulo\textsuperscript{61}.

Accordingly, three of the authors of this brief carried out a study\textsuperscript{62} of the television coverage of the Odebrecht plea bargain negotiations,\textsuperscript{63} which was an early phase of the Lava Jato scandal. The authors posited that media neutrality would imply, roughly, similar coverage of politicians of a given position (congressmen, senator, governor, etc.), and that partisanship would not affect such coverage. Controlling for the position of the accused politician, in the first phase of the ongoing study, they found, however, that partisanship matters. With the exception of senators, who seem to have been covered fairly in terms of equal time per party in all other cases (i.e., president, ministers, governors, and federal legislators), the Workers’ Party received substantially and statistically significant more coverage. A Workers’ Party minister, for example, received three times longer coverage than a minister from the PMDB, the same applying for legislators in the Lower House.\textsuperscript{64} Excluding the Rio de Janeiro mayor, Sérgio Cabral, who was already in jail by the time of the Odebrecht plea bargain, mayors from the Workers’ Party received twice as much coverage than those of PMDB or PSDB.

\textsuperscript{60} Half of its audience belongs to the middle class and 34\% to the upper classes. Most of them are men (60\%), and about half are more than 50-years old (Source: \textit{Ibope})

\textsuperscript{61} \textit{Poder360}. “Tiragem impressa dos maiores jornais perde 520 mil exemplares em 3 anos,” January 31 2018.


\textsuperscript{63} Vigna, Anne. “\textit{Brazil’s Odebrecht Scandal},” \textit{Le Monde Diplomatique}, 2017.

\textsuperscript{64} The exception was the president of the House who received more media attention than other legislators which we assume is because of the importance of his position.
Besides amplifying Workers’ Party involvement, *Jornal Nacional* also overlooked cases of corruption involving the PSDB. Whereas an average of 46% of politicians of all parties involved in the plea bargain were mentioned on TV, when it comes to the PSDB this value drops to 30%.

Another study looking at the early phase of the Lava Jato investigation also found biased coverage. In his article and book on information cascades (how information spreads rapidly) and the Brazilian media, Mads Damgaard, from University of Copenhagen, argues that media biases may have created an information cascade about the prevalence of corruption with implications for Brazilian democracy. His sample included 8,800 news items and more than 1,300 front-page news items from *Folha, Estado,* and *O Globo* published in two sample periods. He found that the reporting focused on the possibility of impeachment rather than on the misdeeds of other politicians.

In the beginning of the sample period, the media covered a number of different politicians and entities. However, it then narrowed down to the Workers’ Party, Damgaard wrote, and this emphasis on the Workers’ Party reproduced and amplified the agenda of the camp that favored impeaching President Dilma Rousseff. He further noted that the framing affected the Brazilian

---

stock market as it rose on news of possible impeachment and also created an information cascade with the mainstream media amplifying “a message of crisis and instability.”

In her study of the 2016 protests for and against impeachment in Brazil, Helena Samaras of Stockholm University found that the media covered the corruption protests far more than the ones defending the government. She used data collected from a quantitative content analysis and critical discourse analysis on relevant articles published on nine specific dates in 2015-2016 from two of the most read Brazilian daily newspapers, Folha de São Paulo and O Estado de São Paulo. She found subtle tactics that marginalized anti-impeachment coverage in both publications. Anti-impeachment protesters were generally portrayed as union members, while pro-impeachment constituents were described as “ordinary people.” When fewer people gathered than expected at a pro-impeachment protest the article included reasons for the smaller turnout, while for the same occurrence at an anti-impeachment protest no justification was given. Samaras concluded that the newspapers she studied were biased in favor of impeachment.

A fourth study, by Teun A van Dijk from the University of Pompeu Fabra in Barcelona, examined both the headlines and the editorials in O Globo newspaper in March and April 2016. He concludes that both used a number of selective and manipulative techniques which assumed that both Lula and Rousseff were guilty of corruption and which emphasized impeachment as the solution. After years of not covering corruption, O Globo focused on Lava Jato as “part of a

---

68 Ibid.
70 Van Dijk, Teun A. “How Globo media manipulated the impeachment of Brazilian President Dilma Rousseff” Discourse & Communication, 2017. Vol 11(2) 199-229
conspiracy to eliminate the Workers’ Party and to bring back to power parties that were friendly for Big Business.” 71

A fifth article, by Cintia Rodrigues de Oliviera Medeiros and Rafael Alcadipani da Silveira from Universidade Federal de Uberlandia, analyzed coverage in the online editions of Folha de San Paolo and Veja magazine for one year, dating from March 18, 2014.72 The authors found that the coverage was instrumental in the characterization of Lava Jato as a political problem and a major corruption scandal. In some ways, Oliveira and Alcadipani’s paper fits with the Damgaard argument about the framing and narration of the Lava Jato scandal.

As well as the content analyses summarized above, there are numerous other papers and opinion pieces accusing the legacy (also known as “mainstream”) media of a double standard in its corruption reporting.73 Many of these papers and opinion pieces argue that the mainstream news media did not act as an accountability institution. Instead, these outlets helped legitimize attacks against the democratic order by campaigning in favor of the impeachment. Commentators from the left accused the Brazilian legacy media of bias against the Workers’ Party and argued that the constant criticism of a party, that had won four consecutive elections, was the desire by the elite to undermine the Workers’ Party’s redistributive economic policies.

---

71 Author correspondence, January 27, 2019.
73 See for example Alfonso De Albuquerque “Protecting democracy or conspiring against it? Media and politics in Latin America: A glimpse from Brazil,” that argues that Brazilian media is captured by ruling elites who “justify their authority claims based on a rationale closer to an internal colonialism model [...] than a democratic one.” He further argues that the mainstream media helped to legitimize attacks against the democratic order by campaigning in favor of the impeachment.
In a 2015 piece, “Brazilian Media Takes on Political Project.”\(^7^4\) Brazilian political analyst Aline Piva lambasted the media for not covering the fact that siphoning of funds began in 1997 under the PSDB and argued that:

There is an ongoing political crisis in Brazil, and the media has been playing a central role both in the consolidation and the deepening of this crisis. Exacerbating political tensions, the traditional press seeks to consolidate a narrative in public opinion where the country is going through a deep institutional and economic crisis that would justify, in the end, the premature end of Dilma Rousseff’s mandate, the impossibility of a petista succession, and the annihilation of the current social project.

As David Miranda put it in an opinion piece in the *Guardian*:\(^7^5\)

For more than a year, those same media outlets have peddled a self-serving narrative: an angry citizenry, driven by fury over government corruption, rising against and demanding the overthrow of Brazil’s first female president, Dilma Rousseff, and her Workers’ party (PT). The world saw endless images of huge crowds of protesters in the streets, always an inspiring sight. But what most outside Brazil did not see was that the country’s legacy media had spent months inciting those protests (while pretending merely to “cover” them). The protesters were not remotely representative of Brazil’s population. They were, instead,


disproportionately white and wealthy: the very same people who have opposed the Workers’ Party and its anti-poverty programs for two decades.

As a sign of how deeply politicized attitudes to Brazilian media are, van Dijk notes that there is even a term used by the left to describe conservative media outlets that supported impeachment which is the “golpista press.” The term has its own Wikipedia page explaining the origins of the expression and how it spread.76

In Brazil, as in many places, social media has aggravated the polarization of the political system. Following the election of Jair Bolsonaro, a spate of articles appeared about the disinformation that circulated on WhatsApp before the election, some quoting a study conducted by two universities and a local fact-checking platform site.77 The authors called on WhatsApp to limit the size of allowed new groups, forwards, and broadcasts. Similarly, Vice exposed a far-right U.S. social network that circulated disinformation supporting Bolsonaro in the run up to the Brazilian elections.78 Local media reported that the disinformation circulating on WhatsApp in support of Bolsonaro had been paid for by a group of Brazilian entrepreneurs who wanted to discredit Fernando Haddad, the Workers’ Party rival to Bolsonaro.79 Aware of the problem of disinformation online, Brazilian journalists had formed a fact checking coalition, Comprova, before the election but fact-checking on its own does not address the vast amount of online

---

disinformation targeted at voters. Studies about the extent of Bolsonaro’s online disinformation campaign are underway and research will need to be done to see what effect it had on the election.

**Conclusion:**

While Brazilian journalists pride themselves on their coverage of Lava Jato and the cross-border reporting they did with journalists in other countries, the studies cited in this paper found evidence of coverage that was biased against the Workers’ Party. Media persuasion effects are notoriously hard to pin down but, clearly, accusations of biased coverage can have real-world effects. The rise of numerous right-wing demagogues running on anti-corruption platforms suggests that media coverage of the framing of such claims is an important area of research. With the election of Jair Bolsonaro in the fall of 2018 and the way his campaign used social media to circulate dis/misinformation, these questions of media bias and effects have become ever more important.

Continued research by social scientists is needed on how media reporting on corruption affects voter turnout and preferences. The literature is inconclusive on this topic but as accusations of corruption surface and gain salience with voters (e.g., Trump’s accusations that “the system is rigged”) it is important to understand their effect. The Presidential elections of the fall 2018 in Brazil and the victory of the far-right candidate Jair Bolsonaro make these questions even more important. Does the coverage of corruption have persuasion effects that affect voter

---

80 *First Draft. “Comprova Wraps in Brazil.”* 19 Nov. 2018,
turnout and preferences? Numerous articles in the *Financial Times* quoted analysts who said that anger about corruption paved the way for the victory of the far right in Brazil.

More research could examine the mainstream media framing of Bolsonaro’s economic policies as Chicago School and market friendly and a cause of the Brazilian stock market’s gains in October. The business media has often been accused of being too pro-business and too captured and this is taken as conventional wisdom in the communications studies field. What is important to understand is whether this portrayal contributed to an information cascade that led to the downfall of the Workers’ Party and the rise of the far right in Latin America’s largest economy. Just as important is understanding the role of social media and coming up with policies to address online disinformation.

---