Analysis of Peruvian Newspaper Portrayal of Chinese FDI from 2001 to 2020:

An Exploration of Factors Influencing International Economic News Reporting

**Abstract**

In recent years, the economic exchanges between China and Latin American countries have been further deepened, news about Chinese FDI in the region responses not only to economic reality, but also to the different stages of bilateral relations, changes in international relations and media political leaning. With a content analysis by human coders on all the 332 news articles about Chinese FDI in six major Peruvian media during 2001 to 2020 *(La República, Gestión Online, El Comercio, Perú 21 Online, Semana Económica, Andina Agencia Peruana*), the current study explores how international economic news reporting is influenced by the above-mentioned factors.

*Keywords*: Peruvian media, Chinese FDI, framing theory, content analysis

# Introduction

The current study looks at a specific type of international news: international economic news (Fogarty, 2005). International news reporting has been an important subject of international communication research. Notably, media framing studies have illustrated that foreign actors and events have been packaged by the news media using both generic (Semetko & Valkenburg, 2000) and topical frames (Entman, 1993). Economic news reporting is usually attached to journalistic values of accuracy and factual (Damstra & Boukes, 2021). However, studies in both a domestic setting and an international setting have found that news about economy is not purely “objective” or “rational”, as it can still carry emotional valences (Consoli et al., 2021), or can be subject to editorial preferences. Media frames are no less prominent in economic news (Zhu & Wang, 2018).

Economic relationships between countries are usually intertwined with political relationships and the changing landscape of international relations (Freeman, 1983). Given this dynamic, media portrayal about economic events related to another foreign country can be accurate reflections of some parts of such relationship, but can also display temporal patterns given changes in it (Zhu, 2019). Only a few studies have explored how factors in media political stance and international relations can be associated with changes in economic news reporting (Morante & Wu, 2023; Y. Wang & Reagan, 2020), and all have overlooked the different time phases, or the *passage* of time, as an important variable.

The current study is interested to make an exploratory attempt to address this gap in research. With a focus on news about Chinese FDI in Peruvian newspapers, we hope to illustrate if economic news attention is significantly associated with any real-world economic data across time phases. Beyond this, it explores how editorial political leanings affects the adoption of generic media frames, most notably the conflict frame and economic consequence frames, among five Peruvian newspapers and the Peruvian national news agency. With a content analysis by human coders on all the 332 news articles about Chinese FDI in Peruvian newspapers during 2001 to 2020, the study tends to accomplish these goals.

# Literature Review

## Chinese FDI in Peru and Latin America

China's foreign direct investment (FDI) in Peru has grown significantly since 2000, reflecting the strengthening economic ties between the two countries. According to the Ministry of Commerce of the People's Republic of China, Chinese FDI in Peru reached a total of $22.7 billion in the period from 2000 to 2020 (Peters, 2021). This investment has been primarily focused on the mining sector, with Chinese companies acquiring major stakes in some of Peru's largest copper, gold, and zinc mines (Sanborn & Ching, 2017). In recent years, Chinese FDI has also expanded to other sectors, including energy, infrastructure, and telecommunications.

Peruvian authorities have actively sought Chinese investment to boost economic growth and development. According to data from China's Ministry of Commerce, China is the country's largest trading partner, with bilateral trade totaling $20.1 billion in 2020 (Ministry of Commerce of P.R.C., 2020). Chinese companies have also been involved in major infrastructure projects, such as the construction of the Southern Peruvian Gas Pipeline and the expansion of the Jorge Chávez International Airport in Lima (Peters, 2021).

Despite the significant investment, Chinese companies have faced challenges in Peru, including protests by local communities over environmental and social issues related to mining operations (Creutzfeldt, 2016). Additionally, the COVID-19 pandemic has disrupted investment and trade flows between China and Peru (Cottani, 2020). However, given the strategic importance of Peru's resources and location in the region, it is likely that Chinese FDI will continue to play a significant role in the country's economy in the years to come.

China's relationship with the Latin America and Caribe (LAC) region has evolved significantly in the past two decades. Beginning in the early 2000s, China began to increase its engagement with the LAC region, particularly in terms of trade and investment. According to a report by the Inter-American Dialogue, China's trade with the region grew from $10 billion in 2000 to $307 billion in 2019. Additionally, Chinese foreign direct investment (FDI) in the region has increased significantly, reaching a peak of $55 billion in 2016, according to the Economic Commission for Latin America and the Caribbean (ECLAC) (Peters, 2021). This has made China one of the largest investors in the region. Meanwhile, the LAC region has seen China as a potential source of investment and as a counterbalance to the traditional economic influence of the United States in the region (Li, 2007; Piccone, 2016). The Chinese government has established various mechanisms to deepen economic ties with the LAC region, such as the China-LAC Cooperation Forum, launched in 2010. However, the growing presence of China in the region has raised concerns among some scholars and policymakers in the United States about its potential geopolitical implications, particularly regarding the US' traditional role in the region. According to a report by the US-China Economic and Security Review Commission, China's expanding economic influence in the LAC region could undermine the US' strategic interests, particularly in areas such as trade, investment, and security (Lum & Sullivan, 2019).

However, the relationship between China and the LAC region has not been without its challenges. One major issue has been China's focus on extracting natural resources from the region, leading to concerns about environmental damage and social unrest. Additionally, some countries in the region have been concerned about the influx of Chinese imports, which they see as a threat to local industries. Nevertheless, China has continued to deepen its engagement with the region, signing multiple free trade agreements and launching initiatives such as the China-CELAC Forum, which seeks to strengthen political, economic, and cultural ties between China and the LAC region.

## Phases of Chinese FDI in Latin America

The first phase is represented by the period immediately into the new millennium and until 2010. Since 2000, the Peruvian economic policy presented a positive impact on the economic growth thanks to Foreign Direct Investment (FDI) increase and the inclusion of foreign markets in the local economy. A study analyzed and quantified the short and long-run impact of FDI and Foreign Direct Investment from China (FDICH) on economic growth in Peru, using annual time series data from 2001 to 2018 obtained from the Central Bank of Peru and the World Bank. The findings revealed that the impact and significance of FDI and FDICH in the short and long-run were positive and significant. In this “exploratory phase”, the world witnesses the transition of Chinese FDI in Latin America from zero to one (Mejía et al., 2020).

During the second “expansion” phase, Chinese FDIs increased in the LAC region both in terms of quantity and coverage. Reports by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC) highlight the rapid growth of Chinese investments in Latin America since 2008, averaging US$10 billion approximately per year from 2010-2014 (Chen & Pérez Ludeña, 2014); and yet China remains far from the largest source of FDI in the region. More than half of Chinese foreign direct investment (FDI) in natural resources is in Latin America. It is concentrated in 34 major projects that stretch from Venezuela and Ecuador through Brazil, Bolivia and Peru to Argentina and Chile (Peters, 2021).

Since 2015, however, Chinese FDIs in the region started to slow down continuously until 2018. According to a report by the Economic Commission for Latin America and the Caribbean (ECLAC), Chinese foreign direct investment (FDI) in Latin America averaged about US$10 billion per year since 2010. However, Chinese foreign direct investment to Latin America slowed down during the 2015-2018 period (Jenkins, 2017). The China-Latin America Academic Network (RED-ALC China) compiled data that shows that in 2018 flows to Latin America dropped for the third consecutive year (Peters, 2021). The decline comes amid trade tensions between the U.S. and China and as Beijing adds pressure on Chinese companies to reduce their global holdings and reduce debt levels.

The “slow down” phase mentioned above was followed by a more recent “reengagement” phase after the recalibration of common interests between China and the region. According to a report by the International Monetary Fund (IMF), China’s investment in Latin America and the Caribbean (LAC) has increased substantially in volume and become more diversified from natural resources to other industries. Moreover, China’s rising overseas investment can be linked to the rebalancing of Chinese economy, and LAC stands to benefit from its complementarity vis-à-vis China in sectors where the rising Chinese overseas investment can be met with LAC’s own investment gaps (Ding et al., 2021). Chinese companies are now controlling an increasing share of Latin America’s electricity generation and transmission. This kind of investment in critical infrastructure can help make Latin American economies more productive and competitive. Electric power will be increasingly generated by Chinese-built renewable energy sources such as hydro, wind, and solar (Myers, 2023). And a growing number of business transactions will go through Chinese-owned banks. Based on previous studies and reports, the development of Chinese FDI, Table 1 is provided as a summarization of the four phases of Chinese investment in Latin America:

[Insert Table 1 About Here]

## Media Portrayal and International Economic News

In the past, research on economic news has mainly been focused on domestic economic performance and its impact on stock prices (Becker et al., 1995). Although some studies have touched on the international context (Zhu, 2019), the role of economic news in relation to international trade and foreign direct investment has remained largely uncharted in the field of mass communication. While previous research has explored the effects of FDI on press freedom and the political responses to economic news, this study takes a different approach by examining how the existing media landscape shapes the differences in the coverage of economic news. Simply put, the study aims to unravel the distinct characteristics of economic news editorials as a product of political factors, rather than their causes.

Defining economic news can be a thorny issue, with different scholars offering varying perspectives. Hester and Gibson (Hester & Gibson, 2003) defined it as “news coverage of the economy”, while Fogarty (Fogarty, 2005) saw it as “media coverage of the economy”. Curiously, some studies did not define economic news. Indeed, much of the literature on economic news has avoided delving into the concept itself. In this study, we considered various paradigms in mass communication, including business journalism, financial news journalism, and economic information. We came up with our own definition of economic news, which encompasses “news produced by professional journalistic organizations that aim to provide data or information on economic and business events”. As for international economic news, it is defined as “news produced by professional journalistic organizations that aim to provide data or information on *foreign or transnational* economic and business events”.

Political communication scholars are intrigued by the interplay between economic news and political events, such as presidential elections, and how the coverage and tone of economic news can be influenced by them. Hetherington's (Hetherington, 1996) study revealed that the political context can affect the impartiality of economic news coverage. Similarly, Harrington (Harrington, 1989) discovered that negative tone in TV economic news increases during election years. Studies by Mutz (Mutz, 1992) and Shah et al. (Shah et al., 1999) demonstrate that when the economy is thriving, the incumbent president is portrayed positively in economic news coverage.

On the other hand, some scholars conceptualize economic news as a monitoring function of mass media, which objectively reflects the economic performance of society and the country. Researchers have delved into the accuracy of economic news coverage (Behr & Iyengar, 1985; Fogarty, 2005; Hester & Gibson, 2003; Van Raaij, 1989), with studies revealing that economic news generally reflects the domestic economic conditions (Nadeau et al., 1999; Wu et al., 2002). Behr and Iyengar (1985) suggested that economic news is generally reliable, and Wu et al. (2002) found that economic news and economic performance have consistent trend lines. In the context of this study, which focuses on international economic news coverage, it is essential to examine whether this accuracy still holds.

H1a: Chinese yearly FDI value will be a positive predictor of number of news articles about Chinese FDI in Peru from Peruvian Newspapers

H1b: Yearly Sino-Peruvian bilateral trade value will be a positive predictor of number of news articles about Chinese FDI in Peru from Peruvian Newspapers

**Media Frames and Country Image**

Most likely, economic indicators could perhaps be related to the valence of the attention that Peruvian newspapers give to Chinese FDI. But attention is not enough to deepen our understanding of the complexities of the current case. To understand how international relations influenced such topic, the concept of framing is widely used. Framing originated from Bateson (Bateson, 1955) and was introduced into the sociology of culture by Goffman (Goffman, 1974). It was later introduced into the study of mass communication. The theoretical assumptions of frame theory come from two aspects of research, sociology at the macro-level and cognitive psychology at the micro-level. Sociologist Goffman believes that people use a specific interpretive framework to understand daily life in social life, that is, interpretation from the perspective of symbolic interaction; research at the psychological level believes that framework is an individual's method of processing information and constructing information it is a fundamental theory.

Beginning in the 1980s, frame theory began to be introduced into the field of journalism and communication research, and two academic concepts of "media frame" and "news frame" were born. The media frame is the organizational framework for information processing by media institutions, which is suitable for the research on the production and dissemination of various types of media information. The application of this concept to the study of news selection, processing, news text and the construction of meaning becomes a news frame. The news frame is a specific principle on which news media selectively processes news facts. This principle is mainly derived from factors such as the media’s position, editorial policy, and the nature of the event itself.

Chong and Druckman (Chong & Druckman, 2007) summarized the basic characteristics of frame theory. First, the central problem of frame theory is in the production of media. That is, how media reflects reality and regulates people's understanding of it. Frame theory opens up an important area of analysis on how issues, discourses, and meanings are precisely constructed, organized, and unfolded: how frames reflect reality, how meanings are constructed, and how people's perceptions are structured, ultimately through texts or discourses. Therefore, frame theory analysis – the construction, interpretation, or discourse production– is the focus of this paper.

Like most Latin American countries, Peru views China through an economic lens. China is seen as a powerful, global, economic entity, with less of a diplomatic dimension. However, China's self-expression is more focused on a long-established power and a new paradigm of reshaping the world order, and this cognitive gap has led to the foreign policy deviation between the two countries (Bernal-Meza, 2014). Obviously, economic factors have weight, but the more fundamental factor that causes the gap between China and Spanish-speaking countries may be the difference in economic and cultural structure explained in a research (Kaltenthaler et al., 2004) discussing support for trade liberalization and showing that Spain is one of the countries most opposed to trade liberalization. When asked whether there should be stricter controls on the sale of foreign products in order to protect the jobs of their citizens, 72% of Spanish respondents answered in the affirmative (Noya, 2005). For a rising China, trade liberalization is an indispensable part of expanding the market. So, for the Spaniards, the problem is not really China, but globalization and increasing international competition. The same is true for Mexico, where China’s economic rise has affected its participation in globalization, and Peru, where blame is attributed to China for unemployment and social failures of economic policy.

The role of politics in media coverage of a country's image is unquestionable. Taking the US media's coverage of China's image as an example, on the one hand, for the coverage itself, the overall tone of coverage involving political frameworks is more negative (Peng, 2004); on the other hand, changes in the political environment of the times have also affected national image building in media reporting (Liss, 2003).

As early as the 19th century, the prejudiced framework of China and India had been imprinted in the minds of Americans (Isaacs, 1980). In the past, the US viewed China as a potential market for goods and a potential missionary target. This impression changed during the diplomatic isolation of the Cold War, and the Chinese became a huge "red army", a cookie-cutter, powerful mass that threatened the whole of Asia. In the post-Cold War world, Sino-US relations face an uncertain future, but there is also the possibility of becoming "partners" (Liss, 2003). Entering the 21st century, China's political freedom and Sino-US cooperation have had a positive impact on the color of the report (X. Wang & Shoemaker, 2011).

The complex political relationship of competition and cooperation between China and the United States makes the United States also an important focus of China. From the perspective of the framework, there is research on the United States portrayal among the 874 news stories published by five Chinese newspapers. They show a diverse, free, democratic, and technologically advanced country, but it’s full of hegemonic and prejudiced American cultural image (He et al., 2012). It also prompts us to look at foreign images in domestic media as another factor to watch.

The conflict of ideologies, i.e. capitalism and socialism, is long-standing and obvious (Bernal-Meza, 2014). Since China's foreign policy is an external manifestation of its domestic policy, China's performance and prospects in Latin American markets will always remain consistent, focusing on product exports and access to natural resources. As a result, China's market socialism has had a negative impact on China's economic relations with Latin America, no different from developed countries.

## Newspaper in Latin American Countries

The Western world has seen many researches that prove the power of media over elite opinion and public support. Brody (Brody, 1991) argued that the public perception of the American presidency is largely molded by media elites. Entman and Rojecki (Entman & Rojecki, 1993) also exposed that American media could frame a public policy in alignment with a minority elites, showing the capacity of covert key capitals to resist the majority public support. In short, media does not voice the people or the majority when a contrary but desired discourse is more appealing to the elite class. Other theories such as media system dependency theory (Ball-Rokeach, 1998; Grant, 1996) also emphasized the tight bond between political entities, economic conglomerates and media discourse.

This is no exception for Latin American media and newspapers. Existing studies have illustrated that Latin American media has similar, if not equal, relationships with political elites and political influences (Morante & Wu, 2023; Zhu & Wang, 2018). In studies about media systems in the LAC region, numerous scholars have pointed out the editorial agenda and choices of portrayal is influenced by other factors such as media history, political inclination and ownership (Hallin & Mancini, 2011; Lugo, 2008). When it comes to newspapers, previous studies have shown that political clientelism is an observable pattern dividing national media landscape in LAC countries (Mellado et al., 2017). Left-leaning newspapers tend to be more suspicious and more critical towards foreign influence and interference in the region, as illustrated by studies about US influence in the LAC region (Lugo-Ocando & García Santamaría, 2015). More specifically, left-leaning newspapers tend to attach themselves more the ideological or geopolitical aspects when interpreting foreign influences (Takahashi & Meisner, 2013). Right-leaning newspapers, such as El Comercio in Peru, tends to focus more on the economic effects of foreign influences and orients more towards a capitalist view on events such as FDI (Willer & Takahashi, 2018). Another type of newspapers that may cover heavily on economic news, however, are those specialized in economic analysis, business reporting and financial news (Coloma-Pinglo & Atarama-Rojas, 2014). These newspapers also have profound influence in Latin America media landscape, and are usually similar to right-leaning newspapers, they are comparatively less ideology-driven and have less reliance on commentary pieces when it comes to economic news reporting.

Conflict is an important generic theme that exists in international reporting and economic news, and has been found to be prevalent in Latin American newspapers as well (Zhu & Wang, 2018). In fact, when it comes to the case of Chinese influence in the LAC region, actors concerned in the geopolitical considerations do not limit themselves to only China and Latin America (which at the same time is a highly diversified region internally). The United States has a long presence in Latin America, and have profound influence on Latin American media system historically and economically. Lugo (2008) also illustrated that foreign government through large media companies greatly affected the historical development of Latin American media, as he stated that “…relations with USA are so essential in understanding Latin America’s media systems in current times” (p. 9). For example, the oldest Panamanian newspaper La Estrella was established by gold miners from the U.S. in 1849 under the name Panama Star, and radio was introduced into Latin America because “the U.S. provided the technology and training in order to create markets for American goods, services and ideas” (p. 156). It was even suggested that U.S. has direct governmental intervention in Latin American media in the form of CIA-owned stock shares in several Latin American media outlets.

Economic consequence is another important and perhaps inevitable media frame that newspapers use when reporting economic events such as FDI. China’s growing influence in the LAC region in the early 2000s have been debated by scholars in terms of its effect (Blázquez-Lidoy et al., 2006), with the central question being whether the gains outweigh the harms. Even when the scope of measurement is limited within economic analyses, scholars still reached different conclusions. When moral and cultural factors are considered, the equation seems to become increasingly difficult to concave for analysts. While some may argue that economic gains are profound, others may counter with examples of the moral and cultural defects of Chinese FDI, such as changing local ethical standards and negatively influencing indigenous culture.

Based on the discussion about internal variances of political stances of Latin American newspapers, we believe that Peruvian newspapers have similar typology in terms of editorial political leaning. Hence, we propose the following hypotheses:

H2a: Leftist papers have higher probabilities of adopting conflict frame than other types of papers.

H2b: Economic papers and Right-leaning papers have higher probabilities of adopting economic consequence frame than other types of papers.

Moreover, given that previous studies on economic news have not thoroughly considered the possible variance of frames across time, and what types of conflict or economic consequences are emphasized across different time periods, the following research questions are raised:

RQ1: How do the total number of news articles and the distributions of different types of frames change across time?

RQ2: How do the distributions of different types of conflicts and economic consequences across time?

# Method

## Population and Sampling

***Sampling Frame.*** To present a more panoramic view, this content analysis shows 332 news items from both, right and left newspapers such as *La República, Gestión Online, El Comercio, Perú 21 Online, Semana Económica,* we also included the national news agency of Peru, *Andina Agencia Peruana*, as a representation of governmental stance on Chinese FDI. The addition is meaningful also in terms of its ability to be used as a reference category in later analysis. These newspapers were selected based on the purpose of covering as broad a spectrum as possible without exclusion; they are also the ones that we have been able to extract from the database of Factiva. The selection of news titles considers both the circulation and the accessibility of the researchers, we also strive to find newspapers with ideological differences.

***Time Frame.*** We decided to select the year 2001 as a starting point for our timeframe. This is because Peru, although receiving great pressure from the US, maintains its growing commercial and diplomatic ties with China. We are interested in knowing how this process was, so we analyzed the period between January 1, 2001 and September 1, 2020. This timeframe is also representative of almost the whole period of growing Chinese presence in the LAC region since China’s incorporation into the WTO.

***Article Filtering.*** To retrieve articles from the aforementioned Peruvian newspapers and news agency, a simple Boolean search with *hlp="inversión" and atleast2: china* were used. This search term will filter all the news articles in these newspapers during the defined timeframe, and return articles that include the word “inversión” (investment) in news headline or the leading paragraph, while also having at least two appearance of the word “china” in the body of the article (*N* = 507). After manually filtering out unrelated articles, we identified 332 articles that finally suits the scope of this study.

The Boolean search command was decided based on numerous attempts aiming to find the best search term that provides a balance between accuracy and coverage. For example, a search with *atleast1: china* would lessen the articles connection with China to the extent that about half of the sample would be unrelated or very weakly related to Chinese investiment (such sample size = 1,139). On the other hand, a search starting with *hlp="inversión china"* would unnecessarily filter out articles that discussed all foreign FDI and used Chinese FDI as an important case (such sample size ranges from 26 to 30). As discussed earlier, the current paper

## Code Sheet and Coding Instructions

The project has constructed a code sheet based on the typology of generic frames proposed by Semetko and Valkenburg (2000), which is a widely used typology in framing studies about international political and economic studies. The original code sheet included a wide range of categories including journalistic tone, frames, areas of investment and news sources. The current study focuses primarily on conflict and economic consequence frames as these two were found to be the most prominent in FDI news reporting in similar contexts. The code sheet, including coding instructions were shown in the Appendix.

## Coding

Two coders who are Spanish major in a major Chinese university were recruited for the current study, a native Hispanic scholar leads the coder training process. Together, they had an extensive preview of the articles sampled in order to develop the coding instrument. The coding sheet was revised continuously as the preview went on. Training sessions and pilot coding were iteratively conducted before the coders went into the formal coding. After the coders were trained, they coded a random subsample of the data and inter-coder reliability was calculated using *Krippendorff’s Alpha*, the final result is that the coders achieved a 0.85 average intercoder reliability on the Conflict and Economic Consequence frames. A detailed overview of inter-coder reliability for these two variables can be seen in Table 2.

[Insert Table 2 About Here]

Then the coders started to engage the formal coding process. For each article, the coders coded for Article Type, Journalistic Tone, News Source, Area of Chinese Investment and the discussed generic frames, all the items were numbered in the coding sheet. In detail, the coders first code either “Episodic /Thematic/ Balanced” for Article Type; “Positive/Neutral/Negative” for Journalistic Tone in the sense that whether the article has a positive/negative/neutral tone towards Chinese investment; For the generic frames, the coders had to determine whether the article applied a conflict or economic consequence frame using the question items developed by Semetko and Valkenburg (Semetko and Valkenburg, 2000) and used in a later Euro study (H. De Vreese, 2001). Given that a news article could have the length to include both frames, all generic frames are not mutually exclusive, meaning that one article can have any combination of generic frames.

For the conflict frame, the question items are “Does the news story reflect disagreement between parties/individuals/groups/countries?”, “Does one party/individual/group/country reproach another?”, “Does the story refer to two sides or to more than two sides of the problem/issue?” and “Does the story emphasize the achievements and/or actions of an individual/party versus the achievements and/or actions of another individual/party?”; for economic consequence frame, the question items are “Is there a mention of the costs/degree of expense involved?”, “Is there a reference to economic consequences of pursuing or not pursuing a course of action?” and “Is there a mention of financial losses or gains now or in the future?”. The coders had to code for which combination of nations (China-Peru, China-Other Countries, China-US, China-EU or Others) is mentioned in a conflict frame.

## Analytical Strategy

Year as Unit of Analysis.

H1 focuses on the temporal association between economic indexes and the volume of news reporting. Typically, temporal relationships are explored by autoregressive models such as VAR or ARIMA, which can help to determine causality or form predictive models. However, the current study looks at very specific FDI cases, the temporal data points are limited to the year level to avoid missing data problems (that VAR and ARIMA models would not concave give other options). Considering that article and frame frequencies are count data, the current study uses Poisson regression to test H1. The sum of number of articles from each year in the original dataset was used as DV, while yearly economic indexes were used as IVs.

Articles as Unit of Analysis.

To test H2, the current study uses binary logistic regression to test if newspaper types (dummy coded) are significant predictors of the occurrence of conflict frame and economic consequence frame. The exponentiates of the betas of each dummy predictor can be translated into probabilities. To compare the effect of categorical predictor, a reference category is chosen, and will be shown in the tables provided later. To answer the research questions, the study provides analysis with figures illustrating the differences of conflict types or economic consequence types (if existent) across phases will also be provided.

# Results

To test H1, year is treated as the unit of analysis, corresponding values of economic data (measured in billion USD) and yearly number of articles are treated as independent and dependent variables, respectively. The result of a Poisson regression is shown in Table 3.

[Insert Table 3 About Here]

As can be seen, Chinese FDI amount in Peru and the bilateral trade between China and Peru were significant predicts the trend of the number of news articles from the selected news outlets in the current study, while the FDI amount in all Latin American countries was not. More specifically, for every increase of one billion US dollars of Chinese FDI in Peru, 1.18 (95% CI, 1.12 to 1.21) times more news articles were published. For one billion more US dollars of bilateral trade accomplished, 1.27 (95% CI, 1.20 to 1.28) more news articles were published. These results provide primary support for H1, that the “attention” Peruvian news media gave to Chinese FDI is related to the changing economic relationships between the two countries.

[Insert Table 4 About Here]

To test H2a, left-leaning newspaper was used as the reference category while other types of newspapers are compared against it in terms of the odds of the existence of *conflict frame*. Table 4 shows the result of the binary logistic regression. If all other variables are constant, the odds of a conflict frame appearing is 63% lower in economic newspapers than in left-leaning newspapers, given an odds ratio of *exp*(-1.01) = .37. When different time phases of Chinese investment in Peru were taken into consideration (Model 2), both the right-leaning paper and economic papers have lower odds in contrast to the left-leaning papers. Moreover, in comparison to the exploratory phase, all later phases significantly lower the odds of conflict frames appearing.

[Insert Table 5 About Here]

Table 5 shows the logistic regression results for H2b. When different time phases are not considered (model 1), the odds of an economic consequence frame appearing is 44% higher in economic newspapers than in left-leaning newspapers. When time phases are considered (model 2), the difference in chances are not significant between economic papers and left-leaning papers, however, the odds are 65% higher than in right-leaning newspapers. At the same time, compared to the Exploratory phase (2000-2010), the odds for the economic consequence frame to occur during Slow down phase (2015-2017) and the Reengagement phase are 88% and 87% lower, *ceteris paribus*. These results lend support to H2, at the same time, it is also important to acknowledge that time phases contributed to a significant part of the change of odds of conflict frame and economic consequence frame occurring.

The research question aims to illustrate more detailed information on the basis of H2. Figure 1 shows the trend of number of articles in contrasts to FDI and bilateral trade in lines, and the count of different frames in bars.

[Insert Figure 1 About Here]

Figure 2 illustrates the conflicts coded under the conflict frame (*i.e.* China vs. Peru, China vs. LAC, China vs. US, China vs. EU, China vs. Others) across different phases, in percentage to the total number of conflict frames emerged during that phase. The types of conflicts are not mutually exclusive within an article mentioning the conflict frame. Firstly, conflicts between China and Peru have been the most prominent type across all phases, with the highest proportions emerging during the Exploratory and Expansion phase. Moreover, China vs. Other was significantly more prominent during the first two phases as well. China-US conflicts, however, were not covered during the initial phases, but appeared in 60% of the conflict frames during the Reengagement phase.

[Insert Figure 2 About Here]

In terms of the economic consequences, the current study has included “Opportunity”, “Benefit”, “Problem”, “Damage” and “Others” as types of economic consequences. Figure 2 shows that Chinese FDIs are considered predominantly to be an “opportunity” or “benefit”, even during the Slow Down phase when news articles are scarce. However, the Reengagement phase is the only one that sees a higher percentage of “opportunity” than “benefits”.

[Insert Figure 3 About Here]

# Discussion

Firstly, the current study looks at all articles related to Chinese FDI in newspapers and a national news agency from a Latin American country: Peru. The first purpose of this choice is set to probe how international news reporting about economic events fits the historical development of bilateral economic relationships, both quantitatively and qualitatively. Quantitatively, the fact that even in this narrow scope of Peruvian newspapers, the current study is able to find significant relationships between real-world economic data (i.e. FDI and bilateral trade) and the number of news articles. This suggests that media attention, represented by such quantity, is influenced by economic exchange and investment between two countries. This is the first important finding as economic indexes are not always significant predictors of media attention in some cases. It is also important to note that FDI in LAC region was not a significant predictor, meaning that how much Chinese FDI are happening in other LAC countries are not related to Peruvian newspapers’ attention to the issue. This perhaps suggests that media attention is more contingent on national interests rather than the commonwealth of the LAC region in Peru, and possibly in other LAC countries as well. As mentioned in earlier studies, despite of regional economic alliances and international organizations, the LAC region may need not to be considered as a unified economic terrain, but with very distinct interests and emphases of values towards foreign influences.

Previous studies have shown that economic news reporting can be inaccurate and are subject to the influence of editorial inclinations in the political sense. Existing studies have found that left-leaning media tends to criticize US influence in the region, and could be more friendly towards Chinese investments compared to right-leaning media. However, the current study illustrated that left-leaning newspapers are not the ones who address less controversies to Chinese investments, in fact, left-leaning newspaper in this study, namely *La República* and *Peru21Online*, focused more on portraying conflict and less on economic consequences. In fact, although not mentioned earlier due to the limit of scope, the increase in the use of China vs. US as a type of conflict in the last historical phase of the China FDI in Peru was largely contributed by left-leaning papers as well. Arguably, left-leaning newspapers could be a special player in shaping media portrayal of foreign FDI in Peru and perhaps in other LAC countries as well, for that they are not predominantly vacillated by economic gains or consequences but are more concerned with changes in international politics, and the political values attached to economic events.

Indeed, previous studies have shown that economic news reporting can be inaccurate and are subject to the influence of national and international politics. As China traversed through the LAC region, investments in Peru did not grow as fast as those happening in other major LAC countries such as Argentina and Brazil, media attention towards Chinese FDI in Peru dropped significantly. Moreover, as Chinese companies (state-owned and private) started to reengage with Peru and brings more FDIs in the last phase, the tension between China and US was given much attention by Peruvian newspapers. Although it is not definitive whether major shifts in international relations will impact news reporting on FDIs, the current study at least provided support to the idea that relations between the investor and the US is very much in the interests of journalists when it comes to economic news. This may also have implications for country-image building, as economic news is an important type of news about foreign countries. Considering that Peru is a country that has a more friendly relationship with China politically, the fact that Peruvian media takes China-US conflicts into account can potentially shed light on how newspapers from other countries may be concerned with the conflict, especially those that have closer political and economic ties with the US.

This study has several limitations. First of all, our sampling of 332 articles from Peruvian newspapers was based on the purpose to select a narrower scope than earlier studies, in order to probe our hypothesis and research questions. The drawback of this choice is that the study is limited in its capability in performing more robust time-series analysis. While future studies could explore questions on a larger scope, the current study intends to provide a more detailed, case-specific analysis of international economic news reporting.

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