Image of China

Chinese attempts to purchase SAAB in Swedish and American Media

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Abstract

Many Chinese car companies have attempted to invest in and purchase famous Swedish companies, which attracted a lot of attention of the media, particularly in Sweden and America. The investment is a complex transaction when companies from two countries are involved and are much different. This difference is the starting point for this study.

This thesis aims to analyze the image of China in Swedish and American media. The study suggests that the representation of China in three newspapers is deeply rooted in ideology. Theories on media representation are applied and used in a qualitative analysis in order to present how the image of China is constructed. Through analyzing the twenty-five selected samples to explore how the media understood the Saab event and how they understood Chinese financial power. The main theoretical concept of the thesis is ideology, which is used to analyze the potential meanings of the Swedish and American notions of China. The findings show that both positive and negative images of China were portrayed by Swedish and American media. Furthermore, Chinese political leaders played an important role in the economic activity were also a central theme.

Key words: Foreign direct investment, Media representation, Ideology, Government, Swedish brand
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1. Introduction

In today’s economic climate, China is becoming one of the most important players in the world market. While the “going out” strategy was introduced by the Chinese government, one of the purposes is directed to encourage Chinese companies to enter foreign markets for overseas investments as well as strengthen their competitive advantage in international arena; no matter the company is state-owned or in private ownership.

With the wave of outward investments of China, Sweden has been one influential recipient and it was the first Western country to establish diplomatic relations with China in the 1950th (Fang, 1999, P.29). From there, trade was expanded between two countries. In the first half of 1990s trade relations had increased by 30 percent. The imports from China to Sweden amounted to SEK 29.7 billion in 2005. The most common type of import is consumer goods and light machinery. Thus, we can say that Sweden is seen as an attractive investment market by Chinese enterprise, due to its advanced technology, stable political and market conditions (Lögdkvist & Lundqvist & Peterson, 2008).

In recent years, more and more opportunities have arisen for Chinese enterprises in overseas mergers and acquisitions, of which there are some successful precedents. Geely acquired Volvo successfully in 2010, which increased the confidence of Chinese enterprises for overseas acquisition. After Geely purchased Volvo, the brand of Volvo not only maintains a high degree of independence on the business, but also develops in Chinese market rapidly for profitability. The result was that Volvo’s global sales realized an increase of 20% and Chinese sales soared to 54.4 percent last year, which is ranking first in the world (Wang, 2011).

After the successful examples, Chinese attempts to mergers and acquisitions in another Swedish car company- Saab. However, this story does not appear to follow

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1 Zhejiang Geely Holding Group, a Chinese automobile manufacturer.
2 Volvo Car Corporation, a Swedish automobile manufacturer.
the logic of development of the former. Due to obstructions by Saab's former owner General Motors\(^3\), Saab went into bankruptcy in December 2011. According to media reports, the company’s production line, plant, models, drawings, engine technology, chassis technology and other intangible assets have become the object of the auction ("GM rejects new Saab deal", Göteborg Daily, December 17, 2011). Although Saab has gone bankrupt, it still is the “treasures” in the eyes of the Chinese car companies. The Swedish media reported that Pang Da\(^4\) and Youngman\(^5\) automobile involved in show extra enthusiasm attitude in Saab. Swedish local government, and even a rare public to come forward in order to facilitate transactions in January this year, organized a delegation to visit Chinese Youngman to discuss the acquisition.

This event has triggered a lot of media attentions worldwide. The views of this event have gone beyond trade and diplomatic concerns. It has caused a sensation in Swedish society, even American society. Thus, Chinese invest in Saab shows to be more significant than just an economic activity. The manner in which the Swedish and American media reported the event mirrors the viewpoint and worries of Swedish and American society because it reflects a series of national values (Barlach & Elizalde, 2010).

Media plays an influential role in society as it has the responsibility of conveying the truth and relevant information for people. It confers status on social issues, organization and political events (Paul & Sue, 1999, P.20). During the event, media can be seen as a mirror showing the whole process of Saab bankruptcy and Chinese tried to buy it. In fact, media is not only confined to let us know what is happening in the world and serving a means to connect with people, sometimes it also affects our thinking patterns. We can say that the Swedish and American media represent the case of Saab not only reflects national values, but also mirrors the ideology of society.

The relations between Western countries and China have been studied by many scholars because of its significance. Some of them put attention to China’s desire for

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3 General Motors Company, an American multinational automotive corporation.
4 Pangda Automobile Trade Co., Ltd. is an automobile marketing enterprise in China.
5 Youngman Automobile Group Co., Ltd. is a comprehensive automobile industrial group in China.
purchase Western companies. Almost no one stand on the perspective of media to analyse the images of China in Sweden and other Western countries. Moreover, due to Saab bankruptcy is a recent hot event, although Western media widely reported the situation of it, but no one focuses on the media to explore the issue. I think through media representation to reflect the image of China during the event is a new and meaningful perspective.

This research studies the images of China through analyzing the case of Chinese attempts to purchase Saab, focus on the media representation to analyze the articles that taken from Swedish and American newspaper. In other words, the research attempts to understand the Swedish and American newspaper’s attitudes toward China and Chinese investment. The purpose of this research is to provide a qualitative analysis and presentation of the image of China in the Swedish and American newspapers, as well as the media reflects the social phenomena.

The remaining paper is organised as follows. In the next section, the literature review for this study is introduced and a sufficient background in order to identify the scientific gaps in existing scholarship will be provided. The following theory chapter will show an overview of theories on social constructivism along with the main theories on media representation, and then present the concept of ideology. This research argues that the media reports are the expressions of ideas in society. Next, I will list the specified aim and research questions. The following chapter will outline the possible research design and methods to be adopted for this study as well as the reason of using these methods for data collection and data analysis. The analysis part provides the analysis and investigates the proposed research questions on the data which I gathered in newspaper. This chapter tries to prove how ideology infiltrate in the newspapers’ perception which toward China. In order to make qualitative analysis easier to understand, it is structured in accordance with the framework that present in the theory chapter. The last chapter concludes the whole study.
2. Literature Review

The research area of this study is to understand the image of China that is depicted by Swedish and American media through the event of Chinese attempts to purchase Saab. There are no extensive and specific investigations on this acquisition. Thus, this study will contribute to explore the Chinese investment that is mirrored by media. And it is based on two aspects of previous literature: Overseas investment and media.

Peter Dicken focused on explaining the emergence and category of investment. Since transnational corporation plays an important role in the world and complicated flows of investment reach the scope of globe, with the effects of FDI\(^6\), national governments have an evident vested interest. He point out that the investment has two types from a national perspective: outward investment by domestic enterprises and inward investment by foreign enterprises (Dicken, 2007, P. 106-205).

Many scholars have investigated the tendency of Chinese overseas investment. In the past twenty years, China’s foreign direct investment is growing fast. Chinese government has transferred from a socialist economy to a market economy but with Chinese characteristic (Jones, 2007). In a sense, this is even more to stimulate investment. One of significant drivers conducing to expansion of foreign direct investment is adapt to the strategy of the Going global with the nature of enhancing international operations and thus to increase the allocation of resources and international competitiveness. Although China under a different business culture, but as a member state of the WTO has improved China’s trade opportunities of both inward and outward FDI (Wei & Wen & Zhou, 2002). Adam Cross and Hinrich Voss indicated that the growth of Chinese outward FDI will face challenges investing into developed Western countries. Early Chinese entrants in the UK are due to international competitive pressures and later entrants inclined to conduct offensive market-seeking investments, in order to achieve corporate growth and strengthen firm specific advantages (Cross & Voss, 2007). Nicholas Jones pointed out the purpose of

\(^6\) Foreign Direct Investments
Chinese multinational companies. They are buying in competitive advantages as their intangible assets from developed countries, like technology, distribution channels, brand names and managerial know-how through strategic alliances and merger and acquisition of institutions which is renowned in developed countries. If the negative impact of the international economic recession led to decline of foreign assets value, Chinese firms have been seen to acquire said assets (Jones, 2007). Such as, Nanjing Automotive acquire the ailing company of MG Rover in 2005, Geely Automobile purchase Volvo in 2010, even the Chinese auto companies tried to buy bankrupt Saab currently.

A part of the research on investment has focused on explaining entrepreneurial establishment in Sweden. Some studies argue that Sweden is seeking to deepen the relationship with China, whether in politics, business, education and culture (Tavakolizadeh & Gombrii, 2008). It was the first country to sign trade agreements and investment protection agreements with China. Prior scholarship points to the international motivation and strategic motive for Chinese companies to choose the Sweden as their market. It can be identified as four points. 1. Spreading capital risk 2. Seeking new opportunities 3. Exposure to international influences to keep up with and gain advantage from globalisation 4. Technological update and Educational upgrade (Lögdkvist & Lundqvist & Peterson, 2008).

Compared with entrepreneurial establishment in China, the political difference is obvious. Due to Sweden is a mixed economy system, the factories, land and other economic resources are equally split between private and government ownership. Government controls several major industries. However in China, government play an important role, Chinese government intervention is more serious. In contrast, Sweden's political is more stable and democratic (Luo & Ruan, 2010). To some extent, it drives more Chinese investors to establish enterprise in Sweden.

I said in the first paragraph of this chapter that the investment was of two types. Apart from the literature of outward investment by domestic enterprises, there is a smaller
literature focusing on the inward investment by foreign enterprises. This literature consists of case studies in the Chinese automobile industry. Hua Wang showed that China had an open door policy from the end of the 1970’s. The success and the positive role of foreign direct investment have been widely demonstrated. Since 1993, China has become world’s second largest FDI recipient and among the developing countries it is the single largest host country. Even more in world’s 500 largest transnational corporations, 200 of them had established operation in China up until mid-1997 (Wang, 2003). During the 1990’s, foreign companies from Europe, the U.S and Japan, were entering the Chinese market to explore the promising auto market in China (Lee & Fujimoto & Chen, 2010). Scholar also point out the impact of these foreign investments: China can supplement the domestic savings and use technology and management know how from more advanced foreign countries (Lee & Fujimoto & Chen, 2010).

In addition, another part of the literature is focused on media. As we all know, media is a very important tool to reflect social reality. In the emergence literature, most of them were investigated in the political sphere, and tend to explain how media do a linkage between government and citizens. Prior scholarship point to that the media provide the forum used to discuss what is happening in our society. This forum plays an extremely important role, especially a democratic country, because citizens need access to information to be involved in the political process and make good decisions (Wallack & Dorfman & Jernigan & Themba, 1994, P.53). So like Carlsson said that media is often held to be crucial to the development of our political, economic and cultural (Hemer & Tufte, 2005, P.204). However, some scholarship also showed the role of audiences and readers. They make a responsive role of information which is provided by the media. And the media set a framework for the audience in order to let them to follow and to accept an “imagined community” (Barlach& Elizalde, 2010). So, we can say that media play an influential role between citizens and government. And it is also a way to present the image of country.

What’s more, at present, Chinese attempts to purchase Saab is a popular topic. No one
can determine that whether the acquisition will succeed, what risk the acquisition within, and what is the attitude of Chinese government. It has attracted a lot of attention in the local Swedish and Western media, even the worldwide media. As argued in the beginning of this chapter, there are no extensive and specific investigations on this acquisition to be found. Because of this acquisition is relatively new, and even if there are some investigations on it, the results have not been published. According to the above two themes of literatures, we can find that they lack the knowledge about the media’s viewpoint on Chinese investment. With the gaps as the starting point, this thesis aims to analyze the following questions: how are Chinese attempts to invest in and/or purchase Saab portrayed in Swedish and American media? How are China and Chinese financial power understood in relation to Sweden in general and Saab in particular? What does this tell of Swedish and American notions of China? With these questions, this thesis seeks to make a contribution to the knowledge on Swedish and American media images of China.
3. Theoretical approach

In this chapter I will present the theoretical framework that I base this study on. First I will discuss the Social constructivism (3.1); Next, I will focus on the theory of media representation (3.2). At last (3.3), I will then further develop the theories by beginning to extract some themes which will be presented in my generated model.

3.1 Social constructivism

The ontological position held as a basis for this thesis is constructivism. It argues that “the world we experience and the people we find ourselves to be are first and foremost the product of social processes” (Johnson-Cartee, 2005, P.3). It advocates that the realization of social phenomena and their meanings is through social actors. (Bryman, 2008, P.19) The basic idea is that world is socially constructed. Craig argues that people do one thing rather than another is due to the presence of a certain “social structure” (Marsh & Stoker, 2010, P.80). Furthermore, social constructivism is based on certain aspects of human experience and knowledge, and it is cultivated by society or a particular social group. That is to say, meaning is constructed through interaction between people that create it from different aspect, such as cultural, concepts and other field (Bryman, 2008, P.20).

Media is an outcome of social construction and plays an influential role in the social structure. It makes us “understand the world in which we are and to function meaningfully and effectively in that social, political, and economic arena” (Johnson-Cartee, 2005, P.6). Thus, this thesis will be based on social constructivism and then will be more focus on media representation theory.

3.2 Representation and Media Representation Theory

Language is the main medium which represents thoughts, ideas and feelings in a culture. Representation by language is central to the processes of meaning production (Hall, 1997, P.1). Language operates as a representational system and use signs to symbolize, stand for or reference objects, people and events in the “real” world.
Meaning is produced within language and also produced by the practice which is the “work” of representation (Hall, 1997, P.28). So, we can say that representation is a constructive practice (Fowler, 1991, P.25).

In the process of notion construction, media is one of the important tools for maintaining social values. For many people, media representations are the only source of cultural information. Like Tooke and Baker said “When experiential knowledge does not exist, we often assume that images we see in film reflect reality” (Tooke & Baker, 1996, P.261). Media services as part of the information industry, and even the cultural battlefield. One of the important functions is to create and confirm the shared values and differences of the members of society, in order to evoke a sense of unity between the members of society. Media is a mirror to reflect the various social phenomena and audiences while readers play the role of the responder. Concretely, it involves ideology. Through communicating the information, media makes ideology infiltrate audiences or readers in the society, as it is a “battle field” for ideological struggle (Barlach& Elizalde, 2010).

Media organizations use their framework to explain events and issues, it also schedule agendas in reporting forge ideas and beliefs into the information receivers’ consciousness. So we can say that, in a sense, the media bears a social responsibility. Swedish and American core values through media are presented in the newspapers, TV and internet. The news value which is adhered by media industry makes the Swedish and American newspapers reporting the event to reader, in order to reflect the Swedish and American ideas and beliefs. Chinese car companies attempt to buy bankrupt Saab is closely related to the Swedish economy and politics. The media is not just represent the events, but by constructing a road to guide you to see it. And specifically what I mean is in order to achieve interesting results, media usually use a negative way to judge the issues, such as dramatic, controversia and conflictual. It is worth mentioning that the seven standards of news values in media are: impact, proximity, human interests, novelty, and currency (Bainbridge & Goc & Tynan 2008, P.242). In the event of Saab, Swedish and American media are prone to discuss
problems and conflicts which occur in the purchase. So it can be comprehended as the way it describes the problem, in essence, is the attitude displayed in the media. Through media anxieties and concerns in Swedish and American society, even in Western society are exposed. Such as the positive and negative views of large amount of Chinese capital inflow, China's financial strength and so on.

3.2.1 Ideology

From the perspective of media, it is clearly relevant and interesting for research in political science to look at ideology. Ideology is defined as a set of beliefs or ideas that influence the thoughts and actions of an individual or a group. As a world view, a system of values, attitudes and beliefs includes how society or people ought to be and how they are. It proposes that “a sense of ‘the way things are’, within which our sense of place and self emerges as an equally self-evident proposition” (Nichols, 1981, P.2).

Ideology often uses the manufacturing of images and the processes of representation to advise us that “how things are is how they ought to be and that the place provided for us is the place we ought to have”. (Nichols, 1981, P.1) In other words, media as an intermediary expose the values or ideology in society. Therefore, in this study, the ideology of Swedish and American society on the event of Chinese attempts to purchase Saab will be reflected through the Swedish and American media.

3.3 How is theory used?

In this study, it is clear that social constructivism and media representation theory can be used in the analysis. Social constructivism is the basis of this thesis, media representations theory to explain the Swedish and American society’s attitude toward China, these are formed by the power of the media. The media is often used as a channel to find the attitude of the society of China and then these ideologies are embedded in the content of the representation. Therefore, the public tend to accept the opinion which is expressed by media (Barlach& Elizalde, 2010). Especially in the Saab event, through the media we can see the status of Saab's bankruptcy and its
future development direction. According to the critical reports of the media, we also can see Swedish and American views about China's financial strength. In other words, it is a reflex of ideology in Swedish and American society.

To sum up, the following themes have been identified: How Swedish and American media construct an image of China and what ideological assumptions this contains. By applying media representation theory and concept of ideology the theoretical structure is established. Media representation will be used to explore the image of China in three aspects: 1. the role of China and Chinese investment; 2. Chinese financial power; 3. Chinese car industry and car companies. After the images are discovered, three ideological assumptions will be reflected and discussed.

**Figure 1: Analytical framework:**

<table>
<thead>
<tr>
<th>Section</th>
<th>Media representation</th>
<th>Ideology</th>
</tr>
</thead>
<tbody>
<tr>
<td>The role of China and Chinese investment</td>
<td>Positive and/or negative? Which way?</td>
<td>What ideological assumptions are reflected?</td>
</tr>
<tr>
<td>Chinese financial power</td>
<td>What are the possible reasons and consequences?</td>
<td>What ideological assumptions are reflected?</td>
</tr>
<tr>
<td>Chinese car industry and car companies</td>
<td>Similar or different to Swedish one? Which way?</td>
<td>What ideological assumptions are reflected?</td>
</tr>
</tbody>
</table>
4. **Specified aim and research questions**

The aim of this research is to provide a qualitative analysis of the image of China in Swedish and American media. I use theories on media representation to address the following questions: 1. how are the Chinese attempts to invest in and/or purchase Saab portrayed in Swedish and American media? 2. How are China and Chinese financial power understood in relation to Sweden in general and Saab in particular? 3. What does this tell of Swedish and American notions of China?
5 Research Design and Methods

This study is a descriptive study due to its pursuit of describing how Swedish and American media think about China. In the following paragraphs, this study is focused on choice of design and method, and outlines the principles of selection which I have employed.

5.1 Research design

The choice of design is a case study design, because of the research questions focus on “how something is”. This type of case study is used to describe a social phenomenon in real world. And in this thesis, it discusses Chinese attempts to get the shares or purchase Saab. A case study can be defined as an intensive analysis of an individual unit. The main concern should be to understand the case studied in itself, rather than to use them as a basis for theoretical inference or for wider generalization (Gomm & Hammersley & Foster, 2000, P.3). In addition, survey study is also a viable option for this research. But the purpose of survey study is empirical generalization, from a sample to a finite population. It is sometimes seen as a platform for theoretical inference (Gomm & Hammersley & Foster, 2000, P.4). However, this study is about how Chinese attempts to purchase Saab were reflected through the media. The “case” can be seen as a unit of analysis and the aim is to understand China’s image in Swedish and American media. Thus, representation theory will be applied to explain how Swedish and American media construct the event. It seems just an understanding of image, with no interest in inference or generalization. Therefore, the case study design is the most appropriate part.

5.2 Methods for gathering data

The possible methods for data collection in qualitative research involves through gathering documents. (Marsh & Stoker, 2010, P.257-266) The choice of data collection methods will affect the research methods. So it is necessary to comprehend what your reasons for the decisions are and which your research participants have
taken. (Saunders & Lewis & Thornhill, 2000) As the purpose of this point out, the perspective concentrates on the Swedish and American media. Thus, the data collection will be limited to Swedish and American newspaper articles. It can show a good deal about the way in which events were constructed at that time (May, 1997, P.157). Like Esaiasson argues that “texts reflect both conscious and subconscious preconceptions that the authors in the environment of the origin bear” (Esaiasson, 2007, P.239). This has made me more determined to choose newspaper articles, as they reflect the ideas of the Swedish and American people during the acquisition process.

The newspaper articles are documents that will build the development of representation. Apply to this study, the central theme is developing in the representation justifies the method used in analyzing the discourse of the text. So it seems that choose data from newspaper is more suitable. The chosen newspapers will be: *The Local* (Sweden’s news in English), *Göteborg Daily* (local news in English). These are two local newspapers in Sweden, and they widely reported the event in recent years. We know that Saab is a Swedish brand, so this study choice the local newspaper is more valuable. I also will focus on the *New York Times*. It is an influential newspaper and an integral part of many people’s lives. Most importantly, it also heavily reported the process of acquisitions. Thus, I also use this material. What is worth mentioning, these three newspapers are English newspapers, which make me avoid the language barrier.

### 5.3 Methods for analyzing data

The possible methods for analyzing data are through qualitative text and discourse analysis. “Discourse analysis is fundamentally concerned with the analysis of language, and offers a qualitative method of uncovering some of the ways in which people or group seek to represent their actions in text and language” (Marsh & Stoker, 2010, P.264) It refer to strategies that people employ in trying to create different kind of effect. Action- oriented is a way for discourse analysis to get things done. (Bryman,
In this thesis, the intention is to analyse the data which I gather from the newspapers, in order to interpret the image of China. The study needs to emphasize the way of presenting the events by media and also focus on the analysis of social ideology which is reflected in media. Due to the choice of all data coming from newspapers, the study will pay attention to the construction of language. Therefore, discourse analysis is a suitable approach to use in the thesis to analyze data.

Moreover, the qualitative analysis of discourse aims to gather and clarify social view about the case reflected in a certain documents. It can be regarded as a tool, through the study of discourse to explore the ideas in society. In the process of data analysis, the study should search for patterns of data, such as recurrent behaviours, events and so on. After such patterns are identified, I should interpret them, moving from description of empirical data to interpretation of meanings (Sarantakos, 1998, P.313-315). Therefore, in the process of analyzing data, the first step is to find the ideas and behavior which represent in the newspaper articles about the event, and then interpret them in order to find the potential meanings. The analysis of ideas will be used to describe media representation and explore how they respond the action of China. It means, through qualitative approach to conduct the analysis of articles, in order to adapt with the main theme: how are Chinese attempts to invest in and/or purchase Saab portrayed in Swedish and American media. However, in the process of discourse analysis in this study, the aim is analyze what potential meanings behind these statements. Namely, how Swedish and American media represent their notion on China and Chinese financial power through the language of newspaper. The discussion will be started from description and the emphasis on newspaper discourse. In order to show the interpretations are firmly founded in the data, long quotes will be used for each step of discussion. Therefore, the study will focus on the analysis of the language in newspaper material and also will pay attention to vocabulary and the structure of newspapers how they represent political meanings. Theories and concepts that have been claimed in the former chapter will make up the indicators. The data will be examined to understand the Swedish and American view. Media representation
theory is used to represent the event. And in the analysis of representation, language analysis is the main method to analyze the positive and negative image of China.

In this thesis, it is appropriate to apply text and discourse analysis to analyze newspaper articles. The main point is the structure of its language. It can not only make us to realize the implicit meaning but also help us to better respond to the research questions.
6. Results

In this chapter, qualitative analyses are applied to the material and the major results are drawn from the selected data. The results can be grouped into four points: Firstly, the positive image of Chinese attempt to purchase Saab (6.2.1). Secondly, the negative image of them (6.2.2). Thirdly, the role of Chinese government played in the transaction (6.2.3). And fourthly, find the difference between Chinese car companies and Swedish car companies (6.3). The study makes a detailed analysis of twenty-five samples. By describing images of China, three ideological assumptions which are embedded in the Swedish and American newspaper will be discussed (6.4). Through exploring the potential meanings of the samples, I aim to find out how the results are related to the three assumptions. At last, the study is concluded with a discussion on the result. In order to make analysis easier to understand, the study provides a background at first (6.1).

6.1 Background

The Swedish automobile manufacturer Saab was formed after World War II as an extension of a manufacturing company that makes military aircraft. As we all know, the safety requirements of the aircraft’s manufacturing technology is very high. Thus, Saab is famous for superior safety performance. The recognition of Saab brand identity by consumers is based on the appreciation of Saab’s core brand value. Like unique style of safety performance, design and its aviation technology (“Saab Automobile AB”, The New York Times, December 19, 2011).

However, Saab was in severe financial difficulties for a long time. During the 1990s, it was owned by General Motors. After General Motors bankruptcy in 2009, they attempted to close or sell its less profitable arms (“Saab Automobile AB”, The New York Times, December 19, 2011). This started a long running saga of possible investors and interested buyers. Many of those have come from China.

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7 See Appendix No. 1, List of Samples (Page 50-51).
In 2009, the Beijing Automotive industry and the Netherlands-based company Spyker joined the bidding. Beijing Auto spent nearly 200 million dollars to buy the part of the assets platforms and technologies of Saab, while serving to develop their own high-end brands of passenger cars (“Chinese Company Buys Rights to Make Old Saab Models”, The New York Times, December 14, 2009). But on February 1, 2010, Saab was sold to Spyker Cars by 400 million dollars (“G.M. Enters Agreement to Sell Saab to Spyker”, The New York Times, January 26, 2010). However, its takeover did not stop the pace of the recession by Saab. On March 29, 2011, due to the inability to pay the purchase price of the parts suppliers, Saab was forced to stop production. Therefore, Saab Automobile sought to find investors in China once again (“Saab Automobile AB”, The New York Times, December 19, 2011).

On May 3, Saab Automobile and Chinese car manufacturer Hawati Motor held a press conference in Beijing (“Saab to collaborate with Chinese Hawtai”, Göteborg Daily, May 3, 2011). But Spyker issued a press release on May 12 that informed that, due to Hawati Motor being unable to meet the conditions of the agreement, they terminated the previous strategic agreement which between Saab and Hawati (“Saab-Hawtai deal falls through”, Göteborg Daily, May 12, 2011).

Nevertheless, there were still many Chinese attempts to buy Saab, such as Pang Da Automobile Trade and Zhejiang Youngman Lotus Automobile. On May 16, Spyker announced they had reached an agreement with Pang Da about 110 million euro investment in Saab. And on June 13, Spyker signed non-binding memorandum with Youngman and Pang Da. These two companies would inject 245 million Euros to the Saab jointly. Youngman will get 29.9% shareholding and Pang Da will get 24% shareholding (“Spyker signs MOU with new Chinese partner”, Göteborg Daily, June 13, 2011).

However, September 23, Saab petitioned for “voluntary reorganization” in district court in Sweden. The purpose was to gain time for Chinese company to achieve long-term financing and to prevent unions’ legal challenge. The Court found that the plan of long-term financing were not concrete enough, because Chinese companies
have not yet obtained the approval from authorities in Beijing ("Saab Automobile AB", *The New York Times*, December 19, 2011).

In late October, the two Chinese companies agreed to pay 100 million euros to buy Saab. The deal, valid through Nov. 15, required approval of the Chinese authorities, the European Investment Bank and the Swedish government. However, this purchase attempt was blocked by General Motors. GM said that if Chinese is successful in purchasing Saab, they would stop the supply spare parts and technical for 9-4 models of Saab. December 19, Saab went into bankruptcy. Thus, Youngman and Pang Da’s acquisition plan was failed ("Saab files for bankruptcy", *Göteborg Daily*, December 19, 2011).

Nevertheless, the enthusiasm of the Chinese investors has never extinguished. On January 18, 2012, a delegation composed of Swedish local government officials, union representatives in Saab Automobile and the junior supplier representative leave for China, held talks with Chinese Youngman Automobile Group for the acquisition of Saab. The talks were held on 19th and 20th. Later the delegation of Youngman that was headed by Rachel Pang, Pang Qingnian’s daughter, arrived in Sweden, attempting to acquire the powertrain and technology development firm of Saab ("Swedish delegation leads to China for meeting with Saab interest party Youngman", *Scandinavian Companies and Market*, 18 January, 2012).

Following the Youngman, BAIC and Volvo’s current owner Geely also expressed the intention of purchase Saab Automobile ("Volvo Cars makes bid for bankrupt Saab: report", *The local*, 23 February, 2012). Although Saab went into liquidation, the takeover battle of the company still runs on.

6.2 China and Chinese investment in Swedish and American media

In the media representation of the Chinese attempts to purchase Saab, the surface of mainstream impression of Chinese investment is a positive scenario. Most articles describe the process of investment by Pang Da Automobile Trade and Zhejiang Youngman Lotus Automobile, and describe their invest will to save Saab when it on
the verge of bankruptcy. However, in addition to the positive images, negative images of this investment also exist. Chinese investment is seen as a threat. It brings lot of worries to Sweden, even to other Western countries. In addition, the image of Chinese government intervention is also drawn. The government regarded as the leader in Chinese overseas investment.

6.2.1 China and Chinese investment portrayed as a savior

The samples constantly emphasize that funding shortage is a serious problem for Saab. So it was easy to see that Saab Automobile needed to seek partners and to seek financial support. At this time, the capital injection from Chinese car manufacturer was particularly critical. Thus, they are regarded as a savior in a certain extent. A selection of expressions from the twenty-five samples illustrates how the positive image about Chinese attempt to invest into Saab is constructed.

In Sample 15 and Sample 17, authors describe the Chinese investment as “bridge financing”. (S15, S17) Namely, the funds were regarded as a bridge to help Saab to ride out the storm. It confirms the significance of capital injection which by two Chinese investors, Pang Da and Youngman. In Sample 20, the phrase describing their investment is “a life-saving investment”. (S20) “life-saving” imply that Saab really fell into a serious debt crisis. Due to Saab defaulting on their loans, suppliers interrupt the supply of spare parts. Thus, factory was forced to stop production. At this time, Chinese companies decided to invest in it, which is like a salvation for Saab. So they are seen as a savior. Moreover, this image is directly described in some sentences of samples. Such as:

“It would get a 70-million-euro bridge loan from the two Chinese companies to help keep it afloat.”(S11)

This sentence expresses that the capital investment has a decisive influence on Saab. Thereinto, the words “bridge loan” and “help” highlights the importance of the role of Chinese companies, which laying foundation for the image of savior.
In *The New York Times*, there is an article called “Saab Sputters On, Saved by 2 Chinese Automakers” that says:

“Saab Automobile said Friday that it had won a reprieve from collapse after two Chinese carmakers agreed in principle to buy the ailing Swedish automaker just hours before it faced court action that could have led to its liquidation.”

In the title, the phrase of “Sputters On” and “Saved by” present the role of Chinese automakers firstly. Then author describe Saab had “won a reprieve from collapse”. These attractive phrases all reflect Chinese as a savior. Especially, “just hours before” strengthen the significance of fund that bring by Zhejiang Youngman Lotus Automobile and Pang Da Automobile. When related to the Saab’ future, author shows the statement of Victor R. Muller⁸ “there will be stability, there will be funds and there will be clarity for the future of our business.”

Another report called “Saab Gets a Financing Lifeline in Deal With Beijing Carmaker”, states:

“Saab Automobile, the struggling Swedish carmaker, received a lifeline on Tuesday when a Beijing company agreed to provide a loan to help restart production.”

It can be seen from this report that Saab was personified by the author. The loan from Beijing Company was seen as “lifeline” to help “the struggling Swedish carmaker” keeps afloat. The article use the metaphor to describe Saab, in order to highlights the importance of Chinese investment.

“The Swedish carmaker, which was forced to stop production seven weeks ago for lack of money, has won the support of Pang Da, China’s largest listed car dealer, which has given it 30 million euros cash upfront for an order of 1,300 cars.”

The statement describe the current situation of Saab first- “stop production seven weeks ago”, which reflects that they need financial support. At this time, Pang Da willing helps them. It makes the image of savior is more vivid and lifelike.

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⁸ Victor R. Muller, he is the founder and CEO of Dutch car company Spyker Cars, also is the former chairman and CEO of the Swedish car company Saab Automobile.
All above samples contributes to directly describe the positive image of Chinese investment. And on the other hand, other articles show it indirectly. Large number of articles reported that Saab fell into crisis, due to the company lack of money. And even bring a huge pressure to its parent company, Swedish Automobile.

“Since buying Saab from General Motors in 2010, Spyker, a small Dutch manufacturer of sports cars, has faced pressing financial issues that have repeatedly interrupted production at its factory in Trollhattan, Sweden.”(S3)

“The parent company said it ‘does not expect to realize any value from its shares in Saab Automobile,’ and that it ‘will write off its interest in Saab Automobile completely’.”(S20)

These samples are describes the bankrupt impact of Saab, that shows the Chinese investors in a timely manner to become more meaningful.

When the authors mention Saab, they often describe it as an “ailing car maker”, (S7, S18) “troubled car manufacturer”. (S6) The two adjective “ailing” and “troubled” depict the current status of Saab. Thus, to some extent, the description of the Saab’s situation further improved the image of China- a savior.

6.2.2 China and Chinese investment seen as a threat

In spite of the previous positive images about China and Chinese investment, contradictory images are also present, in which Chinese investors is regarded as a threat.

In The Local, there is a report named “Saab – what is a Swedish car anyway?” It states:

“With the Chinese promising to invest more than €2 billion ($2.7 billion) into the ailing car maker, questions were immediately raised on the wider perspective of another household name possibly set to disappear from Sweden.”(S18)

The author uses a question as the title to present the worry about Saab’s future,
especially the world “anyway” emphasized this point. At the beginning of the report, he indicates the reason. Since Chinese invest ailing Saab, Swede was worried about it will “disappear from Sweden”. However, author regarded it as “another”, because it is the second time for Chinese car companies to purchase Swedish brand. In 2010, Geely Automobile took over Volvo. As is well known, it is not only the takeover of the brand, but also takeover of the strategic technology. That is, now Volvo is owned by the Chinese company. Thus, for Swede, Volvo was disappeared from Sweden. The author says “another” means that they were also worried about Saab will be pillaged. The phrase “household name” implies Saab’s position in Sweden, in order to express their concerns about the threat from Chinese investors.

“After all, at what point can a car made in China, owned 100 percent by Chinese companies, but sold under a Swedish brand name, still be considered ‘Swedish?’” (S18)

It is not hard to see the worry from Sweden that the Swedishness will be weakened as Chinese investors acquire Saab. This is seen as a threat to Sweden.

“In the case of Volvo, the brand values have been maintained and sales have not suffered, which indicates that buyers either don’t know, or don’t care that the company is no longer ‘Swedish’,” (S18)

The author takes Volvo as an example to present that consumers pay attention to the brand, rather than where it is made. If a Chinese company take over Saab successfully, it means that they “buying a premium Swedish brand” (S18). However, Sweden is the pioneer of Saab and Saab is a symbolic company of Sweden. The brand of Saab have a great significance to them, not just economic benefits. Thus, China and Chinese investment is portrayed as a menace for the brand.

In another report which is named “Saab CEO rebuffed Chinese purchase bid”, the author use the statement of the carmaker’s court-appointed administrator to start his report:

“The Chinese parties no longer wish to cooperate with Saab Automobile’s (Dutch)
parent company Swedish Automobile. (They) instead want to invest directly in Saab Automobile and thereby take over all ownership in Saab” (S11)

This expression reflects an aggressive image of the Chinese investors. From “cooperate with Saab” to “invest directly in Saab”, which is considered the ambition of the Chinese investors.

“Youngman plans to purchase all of Saab Automobile. If the estate is divided it will be difficult for the Chinese company to produce cars.”(S21) “According to Lofalk, it has been revealed that Pang Da and Youngman are no longer interested in partnership with Saab. Instead, they want to take over the whole company.”(S10)

The two samples mirror that Chinese company is rapacious. They are not satisfied with the acquisition of part of the technology, but attempt to “take over the whole company”.

“Saab’s owner, Swedish Automobile, has cancelled the agreements with its Chinese partners. At the same time, the partners are trying to buy all of Saab Automobile at a lower price.” (S12)

Here too, the expression draws an image of China as an aggressive country because it wants to buy “all of Saab Automobile” at “a lower price”. Chinese investment is represented as a threat that attempts to take economic advantage of the technology rights which Saab has developed in these years. They are trying to take away the brand benefits which the Swedish people were supposed to benefit from.

“Pang Da and Youngman have not followed the agreement to pay a total of about 640 million kronor in so-called bridge financing.”(S12)

The word “so-called” implies that this bridge financing is not really financing which helps Saab to remain afloat. It also creates a negative image of Chinese investment.

6.2.3 Chinese government regarded as the leader of the investment.

During the Chinese investors attempt to purchase Saab, the most obvious similarly
between China and Sweden is that both governments are involved in this economic activity. Like The New York Times shows:

“The agreement is nonbinding and the transactions are subject to approval by investors in the companies, the Chinese authorities, the European Investment Bank, the Swedish government and national debt office, and General Motors.” (S3)

However, the article emphasizes that the nature of the government intervention between Sweden and China is different.

“It must also pass muster with the European Investment Bank and the Swedish government, both of which have lent money to Saab” (S13)

The phrase “lent money to Saab” is an explanation for Swedish how the government is involved in Saab event. Due to Saab going into administration and that Swedish government was a creditor in Saab, it has the responsibility to participate in the matters of Chinese investment in Saab. The phrase “pass muster” implies that Swedish government does not belong to the leading role in the investment process. It stands in sharp contrast with the role played by the Chinese government.

It is not hard to see that the big difference between China and Western counterpart is China as a communist country and Western countries as democratic countries. The image of China and Chinese investment in this part is related to the Chinese companies’ state-owned status. To some extent, China was seen as authoritarian society, due to the participation of state-owned enterprise in the overall economic action. During the Chinese investors attempt to purchase Saab, the image of excessive government intervention was created.

In the samples covering the China and Chinese attempt to purchase Saab, the reports emphasized the ink of Chinese authorities, or Chinese government during the investment process, in order to show that Chinese political leaders are playing a dominant role in Chinese companies’ investment. Such as:

“The deal first requires the approval of the authorities in Beijing” (S13)
The potential meaning of this sentence is that the approval of Chinese government is the first prerequisite for the transaction. If Chinese government intervention is not allowed, then the transaction is hopeless.

Another statement also confirms this point: “But that plan collapsed soon afterward, when it became clear that the Chinese company would be unable to obtain official authorization in time to help Saab.”(S3)

The “official authorization” actually means the ratification of Chinese government. Potential meaning of this expression is that due to the lack of government approval the investment plan collapsed.

“The blessing of the Chinese government is critical for the planned deal, although it is among one of many parties who must also approve the deal before it is finalized.”(S15)

The word “critical” reflects that Chinese government has sovereign authority to intervene in an investment. And it also implies China is an authoritarian society.

In sample 10, when relating to Guy Lofalk, Saab’s court appointed administrator travelled to China for negotiates the deal, the report says:

“He has made two trips to China and has met NDRC⁹, who has to approve the agreements.”(S10)

The statement emphasize “has met NDRC”, not the Chinese partners. This implies the position of Chinese government in economic activity.

“According to Saab, Chinese authorities will give the go-ahead for the deal on October 14th.”(S8)

It also shows that Chinese political leaders have the supreme authority in Chinese companies’ investment. The “go-ahead” of the Chinese government is a precondition for the deal. It is a permit for companies to do economic activities. If lacking this

⁹ NDRC: National Development and Reform Commission, is a macroeconomic management agency under the State Council of China and it has broad administrative and planning control over the Chinese economy.
“permit”, the transaction will not be able to continue.

It can be seen from the above examples, during all steps of the negotiations Chinese investors seem to be influenced by the Chinese government. These media representations depict that Chinese government is the decision maker in Chinese investment. In other words, the investment of Chinese companies is subject to the constraints of the Chinese government.

6.3 Chinese car industry and car companies described as different to Swedish ones

The goal for achieving a synergy as a result of the investment became the important concern in the investment process. In fact, there are huge differences between Chinese and Swedish car companies, such as, product segment, technology and corporate culture. It seems there is no obvious synergy in this investment. However, Chinese car companies were interested in investing Saab, because of Saab can bring the technology which they lack. From this starting point, some difference between Chinese car companies and Saab in selected examples can be seen.

The first different is related to brand. Such as, “Owned 100 percent by Chinese companies, but sold under a Swedish brand name” (S18)

The expression shows that after Chinese companies purchasing Saab successfully, the brand of Saab will still be used by them. Moving to the underlying meanings, it is the insinuation about the difference of brand between Chinese car companies and Swedish car companies. However, “sold under a Swedish brand name” reflect the immaturity of the own brands in Chinese car industry. It implies that Chinese auto has not gained much recognition outside China, while the Swedish car has huge brand value and it is well-known in the world. However, brand value is often concerned with a technology advance. The article stress that “Swedish brand name” is to highlight the high reputation of Saab’s technology. This also mirrors the weakness of the Chinese brands.
In terms of technology, Chinese car industry is also described as different to Swedish ones. Although it is not directly expressed, we can understand the potential meaning of these statements. For example:

“A part of the agreement is that Youngman and Saab will develop three new models: Saab 9-1, Saab 9-6 and Saab 9-7.”(S4)

On the surface it just shows the contents of the agreement, but in fact it indicates the technical strength of Saab. Namely, due to Saab’s exquisite technology, Chinese investors have a great interest to invest in it. Therefore, it implies that Chinese car industry and Swedish ones has certain differences regarding the technology, and that China’s auto production technology is relatively backward.

The quote from a statement of Pang Qingnian, CEO of Youngman, is presented in the report: “The Saab ’9-6X’ and Saab ’9-7' will be key to enhancing the prestige of the Saab brand to an even larger group of customers in China and the US, while the entry level Saab ’9-1' will appeal to urban motorists around the globe”. (S4)

As above, this statement is also the recognition of Saab’s technology. Like Pang Qingnian said in another interview which reported by Göteborg Daily:

“The upper class in China prefers cars produced and developed in the West. We do not have the capacity to develop the cars. And I would like to retain many of the old executives.”(S25)

The author quotes Pang Qingnian’s statement directly, in order to highlight Chinese car companies “do not have the capacity to develop the cars”. Thus, they need to absorb Saab’s technology to boost the domestic car industry. In other words, it mirrors the gap of technology between Chinese and Swedish car industry.

*The Local* writes in one report:

“He also said that he is ready to put in 12 billion kronor ($1.79 billion) to develop new Saab models and that cars would still be manufactured in Trollhättan in five years time. ‘That's a condition,’ he told SvD adding that rich Chinese consumers
prefer to buy cars manufactured in the west. However, he also said that Saab is technology and not just a brand.” (S24)

Focus on the vocabulary and structure of the article, we can see that author present “Chinese Youngman makes a new Saab offer” at the beginning of the report, and then he present the precondition of the deal that “manufactured in Trollhättan in five years time”. Then he gives the reason for this condition- “rich Chinese consumers prefer to buy cars manufactured in the west”. In simple terms, this article presents the results first, and then shows the conditions of the deal, and last find the reason. This structure leads readers to deeply understand the meaning step by step, in order to highlight Chinese consumers inclined to buy Western cars. It hides a potential meaning that the technology content of Chinese auto is not satisfactory. Especially, the “rich Chinese consumers” reflected Saab is a high-end brand.

While the above images of China are negative, positive images is also represented. Chinese market is portrayed as a “booming” (S1) and will provide some economic opportunities for Saab.

In sample 3, the article present the statement of Victor R. Muller, Spyker’s chief executive “I am very confident that based on their experience, proven skills, their ability to move quickly and their financial strength, we found the partners that are best suited to fully explore Saab’s potential in China”. (S3)

To some extent, this is the recognition for China’s automobile industry. The phrase “best suited” reflected the Chinese market will bring hope to Saab for reviving and developing the automobile industry.

6.4 Discussion

The first ideological assumption of Swedish and American newspapers is that China endeavour to join the great Western project to become developed economies.

In the articles, the intention of China to open up the Western market is deeply rooted in the Swedish and American newspapers. Some articles were tending to emphasize
Saab’ financial crisis in the construction of image of China, it implies that China seize the opportunity to enter the Western market.

In the image created by the Swedish and American newspapers, Chinese investment in the Western market is considered not only as a savior, but also as a threat. It seems contradictory images to China. But both of them reflect the assumption on the Swedish and American newspapers. China is portrayed as a savior, because of the Chinese willingness to invest in Saab when it felled into difficulties and much needed investment. In fact, this implies that Saab provided an opportunity for China to explore the Western market. But, China is also seen as a threat. It shows the anxiety of Swedish and American society in relation to China’s action. Chinese investment in Western is a recent phenomenon in today’s world. As the occurrence of the global financial crisis, China accumulated a large amount of currency reserves. And combined with the European sovereign debt crisis, many developed countries run into financial crisis. However, at this time, Chinese use cash reserves to do the overseas investment. Thus, China was portrayed as both savior and predator.

In sample 9 The New York Times shows “Chinese companies were now offering to buy Saab outright.”(S9) Also like The Local shows Beijing Automotive Industry Corporation participated in the bidding, it said “It would not be the first time that BAIC has shown an interest in the Swedish firm, after it purchased tools for older Saab models in 2009.”(S22)

This mirrors the ambition of Chinese car companies. And this shows the assumption that China attempt to occupy a position in the West and to become developed economies. It is deeply rooted in the Swedish and American newspapers.

The second ideological assumption of Swedish and American newspapers is that China is a socialist society, all investment is manipulated by the government.

The concerns stems from Chinese government interference with the investment in Saab. In the selected samples we can see that the autocracy of the Chinese government is deeply embedded in the ideology of Swedish and American
newspapers. High frequency of mentioning “Chinese Government” or “Chinese authorities” implies that Chinese government plays a dominant role in the transaction. This image is reinforced through highlighting the importance of Chinese government in the investment process. However, the composition of this image is dependent on the ideology of Western society and is developed by Swedish and American newspaper. Namely, in their mind, Chinese investment or China’s financial power is manipulated by the government. It implies that China is a socialist society, even is authoritarian society. Such as sample 14, refer to Pang Da and Youngman want to buy Saab, it shows “The deal is dependent on approval from for example the Chinese authority NDRC.” (S14) The statement mirrors that in the ideology of Swedish and American newspapers, Chinese government plays a decisive role in economic activity. And The New York Times quotes the statement of Michael Dunne, an independent auto analyst. “Beijing does not like to endorse companies that fly outside their radar screen”. (S13) These potential meanings reflect the ideological assumption that China is a socialist society and all investment is manipulated by the government.

The third ideological assumption of Swedish and American newspapers is that Chinese enterprises enter the international arena tend to rely on purchase of established Western brands.

In terms of Saab-brand value, Chinese companies were described as a predator. Materials mentioned in a large amount of Saab’s technology advantages, which reflect the intention of Chinese to purchase Saab. This implies the weakness of the Chinese brands. Thus, the assumption is that Chinese companies are dependent on Western brands to strengthen their development. Saab was regarded as “iconic Swedish brand” (S7). There is no doubt that a national brand often endows a considerable influence in the international arena. Its advantage is very attractive, no matter the brand name or the technology. “The alliance will give Saab a distribution joint venture and a manufacturing joint venture for Saab-branded vehicles, as well as other cars made under a new brand to be owned by the venture.” (S3) The stress on “Saab-branded vehicles” reflects China’s demand for Western brands. Through the affirmation of
Saab’s prestige to hint that Chinese attempts to enhance the image of domestic brand by dint of Saab.

In sample 18, the author quotes Bertil Moldén’s statement: “From a purely commercial perspective, the fact that it is a Chinese owner can be very positive. A new, huge, market is now open to them as well as the chance to develop a traditional domestic one.”(S18) In fact, “A new, huge, market” means Western market and Saab is a stepping stone to guide Chinese companies that enters the market. Besides, the expression “the chance to develop a traditional domestic one” signifies that Chinese carmakers attempt to absorb Saab’s technology to drive the development of China’s domestic auto industry. And this neutral description is suggesting that China has been through overseas mergers and acquisitions, to help domestic enterprises to quickly grasp the core technologies based on Western brands and access to Western markets, in order to improve the level of R & D and technical level of their automobile industry. In sample 3, it directly quotes the statement of Pang Qinghua, the chief executive of Pang Da, he says “we are particularly impressed by their design, engineering and manufacturing skills.”(S3) The article quotes the words rather than using the third-person to describe it, because it appears to be more persuasive if the parties acknowledge they interest in Saab’s advantages. Thus, it reflects the ideological assumption of the newspaper.

Whether Göteborg Daily, The Local or The New York Times, all mentioning “develop new models” which about the details of the agreement among Saab and Youngman. This is the affirmation of benefits from acquiring Saab. The articles emphasize that Saab can bring profits, in order to highlight Chinese company is strong interest in Saab’s technology and they really need the technology. These mirror the intention of Chinese companies, who through the purchase of a foreign brand get a hold of core technology, as well as enjoy the benefit of an established Western brand name.

In addition, in the selected samples it is frequently mentioned that “the transaction was prevented by General Motors”. For example, in sample 21 it says “the main obstacle has been General Motors (GM), which said it would not continue its
technology licences to Saab if the company was sold to Youngman.”(S21) And the reason behind the rejection is “fearing that it would ‘negatively impact G.M.’s existing relationships in China’.”(S20) This negatively impact is explained in sample 17 “The decision stems from concerns about allowing GM technology to fall into the hands of competitors.”(S17) China is the fastest-growing market of GM in the world. GM has established a well-functioning joint venture with Shanghai Automotive Industry Corporation in China, so they do not want there to appear a competitor which use their technology. In the newspaper representations, it seems to describe the purpose of GM’s opposition. In fact, it speaks of Chinese enterprises long-term dependence on overseas technology and brand to achieve rapid development. “Technology licences” is described as the key purposes behind Chinese companies wish to buy Saab. If GM stops to provide technology licences to Saab, it will be a great loss for them. Thus, these statements hide the desire of Chinese enterprises about acquire Saab’s technology licensing. And the potential significance further reflects the ideological assumption in Swedish and American newspapers. In the representation process, some reports also relate to the event of Geely merger with Volvo. Such as sample 18, that says “Volvo’s buy out by Chinese Geely furthermore sets a precedent for Saab to follow.”(S18) This mirrors that it is not the first time for China to purchase overseas brand, in order to emphasize that Chinese rely on overseas brands to promote domestic brand value and establish itself in the international stage.

From the above ideological assumptions that are embedded in the American and Swedish newspapers, we can lift the discussion to analyse the ideology of the newspaper.

In the media representation, Chinese enterprises are not only portrayed as a savior, but also seen as a threat. However, the reason for this contradictory image is related to the rapid development of China’s economy. Many reports indirect represent these phenomena. For instance, “The deal ‘significantly strengthens Saab's financial position and would secure the mid- and long-term financing of Saab Automobile’.”(S3) The phrase of “significantly strengthens” and “mid- and long-term”
all mirrors the strong fiscal position of China. In other selected samples, authors repeatedly mention the amount of investment from Chinese enterprises. In fact, these quantifiers are reflection of China’s strong financial position at present. For example, “It brings in a total equity participation of €245 million — €136 million from Youngman plus €109 million from Pang Da, which will have a 24 percent stake in Spyker. Previously, Pang Da had agreed to invest €65 million.”(S3) These quantifiers hint that Chinese capital is abundant.

As discussed in the theory chapter, media representation often constructs a road to guide the reader to see something. Almost all selected newspapers have mentioned the amount, and through these arrestive quantifiers they try attract the attention of reader, and then guide them to realize the ideology which is embedded in the newspapers: today, China is one of the quickest growth economies in the world, its rapid development was sure to bring a tremendous impact for Western countries. If the analysis of selected data is synthesized, it can be seen that China is more reflected as a threat than a savior. For instance, “Funding to save Swedish carmaker Saab from bankruptcy has fallen through as Chinese investors would now rather take the company over, the Saab administrator said Friday, asking a court to halt the reorganisation process.” (S11) This is a summary that was put in the beginning of the article. It presents the careerism of the Chinese to “take the company over” and is followed by presenting the result that Saab administrator is “asking a court to halt the reorganisation process”. This expression of causal relationship reflects the repulsion for the Chinese. And in fact, the deeper meaning is that Saab would rather go into bankruptcy than be taken over by the Chinese. Thus, the ways of describing the purchase of Saab shows the attitudes of the newspapers. The author puts the negative result in the beginning of the article is trying to generate sensational effect, in order to attract the attention of readers and guide them understand the ideology which was embedded in the article.

China’s rapid development poses a threat to the West, because Western countries tend to investment to foster emerging economies as well as to rescue the market. The
long-term sense of developed countries to direct invest to developing countries is deeply rooted in the ideology of Western society. However, the combination of the global financial crisis and the debt crisis and European sovereign debt crisis, provides an opportunity for China to accumulate foreign currency reserves. As a result, China began to invest in Western countries, which seen as a challenge to the Western economies.

Return to the selected samples, *The local, Göteborg Daily* and *The New York Times* all reflect these worries. They do not express the anxiety directly, but reveals it in a seemingly neutral language. For example, “*Pang Qinghua, chief executive of Pang Da, said Saab’s current and future lineup was ‘very well suited to the Chinese market’.*”(S3) The potential meaning can be understood as that the Chinese economy was relatively backward in the past, so it was not suitable for Saab’s development. But it has been rapid development at present. Thus Saab’s “*current and future*” is “*suited to the Chinese market*”. Saab is a Swedish brand, but now it suited to China. This shift reflects the worries about whether Chinese direct investment will change the political economy of West. In the ideology of Western society, China is a developing economies that need investment flowed from developed economies. But the situation is opposite in current, which in conflict with their ideology. Europe and the United States have always been the world’s largest investors and the interests of the two economies are closely connected to each other. However, direct investment from China has rapid increased in recent years. Such as Volvo takeover by Geely in 2010 and Chinese try to buy Saab currently, the situation causes an anxiety in Western society about whether Chinese investment will threaten Western unity. These anxieties combined with the ambitions of China are embedded in selected samples.

During Chinese company invest in Saab, the media representation not only reflects the view of Swedish and American society, but also mirrors the Chinese characteristics. The most important characteristic is the status of Chinese government. As analyzed in the second ideological assumption, Chinese government plays a dominant role in Chinese overseas investment. In the samples covering the Chinese
invest in Saab, the reports repeatedly involves Chinese authorities. For example, “That deal, however, will need the backing of Chinese regulators”. (S2) This representation reflects the ideology of the Swedish and American newspapers that China’s business behaviours are closely related to government decisions. The formation of this ideology originates from the idea that China inheriting a closed, state-dominated economy in the past few decades. In the selected data, it presents an image of Chinese government likes an “invisible hand” behind Chinese overseas investment, which serves not only as a constraint on, but also as an enabling mechanism of the national enterprise going global. Such as sample 8, “Chinese consortium had not yet submitted a proposal to the Chinese government on the Saab deal”. (S8) The report point out that Chinese government’s permission is the determinant for the deal, in order to reflect that they worried about the role of the communist ideology in Chinese economic activity. The images are strengthened by the emphasis on the degree of political interference in the deal with Saab. When it comes to the deal between Saab and Pang Da, the article shows that “Taken with the announcement last month of a financing and import deal with Pang Da Automobile Trade, also of China”. (S3) It expresses that Saab is trading with Chinese government, rather than with an individual company. But Pang Da is a private enterprise in China. This problem is also reflected in another Chinese car company- Hawtai. In sample 1, it reports “Hawtai, which is privately owned”. (S1) In another article it says: “But that plan collapsed soon afterward, when it became clear that the Chinese company would be unable to obtain official authorization in time to help Saab” (S3) These reports present a critical point: in China, foreign direct investment of private enterprise is also subject to the government. Based on this framework, Chinese overseas investment is seen as based on government dominated rather than market principle. In the ideological views of newspaper, no matter if the enterprises are state-owned or private, they are all controlled by the Chinese government. High frequency of mentioning the “Chinese authorities” also reflects the ideology of the newspaper that trading with China is on unequal terms. And power concentration in China also leads to the development of enterprises to succumb limitations. The
newspapers use a framework aimed sustaining their ideology. And it is embedded in the representation.

Moreover, related to the third ideological assumption of Swedish and American newspapers, China tends to rely on purchases of established Western brands. In the selected data, many of them mentions “Swedish brand”. It relates to nation brand. Saab is an iconic brand in Sweden. To a certain extent, “brand of Sweden” enhances Saab’s position on the international arena. Sometimes, the country of origin of goods influences consumers’ purchase decisions, because they are often based on a country’s image to infer product quality. Thus, the newspapers describing the brand image of Saab also reflected the brand of Sweden. It forms a contrast with the brand of China, because some sample shows that “The upper class in China prefers cars produced and developed in the West”. (S25) It implies that compared to the Western country, China as a brand is relatively backward. The effect of the country of origin may affect whether the products and services of a nation can demand a premium. Like sample 18, Saab was regarded as “a premium Swedish brand” (S18). This is the reason why consumers prefer to buy a car in Western nations, rather than in China. Thus, Chinese need to purchase existing Western brands to promote the domestic brand, even to promote the brand China on the international market.
7 Conclusion

The aim of this research was to provide a qualitative analysis of the image of China in Swedish and American media by analyzing the case of Saab. More specifically, the study asked the following questions: 1. How are Chinese attempts to invest in and/or purchase Saab portrayed in Swedish and American media? 2. How are China and Chinese financial power understood in relation to Sweden in general and Saab in particular? 3. What does this tell of Swedish and American notions of China? After qualitative analyses drawn from twenty-fifth articles collected in *The Local*, *Göteborg Daily* and *The New York Times*, the application of media representation theory reveals that the framework of newspaper’s ideology penetrates the image of China, which creates and shapes both positive and negative representations of Chinese investment.

At first, the conclusion of this research is related to the first question. In terms of the role of Chinese attempts to invest in Saab, China and Chinese investment was portrayed both as a savior and a threat. It seems like a contradictory image, which making China as the focus in the process of investment. Regarded as a savior, since of Saab plunge into serious financial crisis and requires a large capital investment to restore its life. At this time, Chinese investors brought large amounts of capital to inject in Saab. Undoubtedly, it was likes a savior with a halo. Especially, two Chinese car manufacturers agreed to acquire Saab just hours before it faced court action that could have declare bankruptcy. The result was that Saab won a reprieve from failure. This dramatic scene makes the image of savior of Chinese company more lifelike.

However, China was also portrayed as a threat, due to Saab being an iconic Swedish brand that China attempted to take economic advantage. The newspapers present a worry about Swedish-ness will be weakened as Chinese takeover Saab. And most importantly, Chinese companies wanted to cooperate with Saab at first, but later they proposed that invested directly in Saab, and then, they tried to take over the whole company. The change of Chinese investor's attitude mirrors the careerism of them.
Thus, it seen as a threat, due to Chinese companies tried to swallow up Saab. In addition, Chinese car industry and car companies were described as different to Swedish ones. Whether in technology or in brand value, Saab was described as an excellent brand which implies production technology of China is relatively backward.

Regarding the second research question, qualitative analysis show that China and the Chinese financial power are subject to Chinese government conned. When the Chinese carmakers deal with Saab, they require the approval of the government at first. The “go- ahead” signal from government is the base for them to invest or purchase. In the Saab event, the articles repeatedly mention the Chinese government or Chinese authorities. Thus, that Chinese political leaders predominate the overseas investment of Chinese company is deeply rooted in the ideology of Swedish and American newspapers.

The conclusions on the third question are related to the three ideological assumptions which discussed in above chapter. The first theme is related to the careerism of China. The newspapers through constructing the image of savior and threat of China to expose the goal of their investment, describe an endeavor to join the great Western project to become a developed economies. Under the double blow of the global financial crisis and the sovereign debt crises in Europe, many Western countries faced serious financial problems. However, China took this opportunity to accumulate a large number of foreign currency reserves and buy some countries’ sovereign debt. They took over Volvo in 2010 and try to purchase Saab at present. These step-by-step behaviors of China are seen as a blueprint for holding a place in the West and even transforming Western political economy.

The second theme relates to the socialism with Chinese characteristics. Chinese government intervention is the most visible symbol. Although the support of “going out” policy is increasing constantly, the constraints from the government are always existed. It not only manipulates the state-owned enterprise but also controls the private enterprise.
Moving on to the third theme China tends to rely on purchases of established Western brands. Swedish and American newspapers reported a lot of the exquisite technology and brand value of Saab, in order to reflect that Chinese brands are not well-known, and the technology is relatively backward. Thus, they need rely on Western brands, by dint of Western brand to prompt domestic brand value and establish itself on the international stage.

Based on the three ideological assumptions, a further discussion could be made. It can be summarized in three aspects. China and Chinese investment was seen as threat more than a savior. Currently, China's strong finance poses a threat to the Western countries. Because they faced the situation that direct investment from developing to developed economies. The rapid rise of China and Chinese investment makes them fall into an anxiety, whether Chinese investment will be a threat to Western unity. On the other hand, Chinese government is like an “invisible hand” behind Chinese overseas investment. Thus, another anxiety appeared trading with China is unequal, because trading with a Chinese private company may end up with the Chinese government. The last aspect relate to the nation as a brand. Sometimes, a good nation brand improves the position of its product brand. Through the representation of Saab’s dealings with China, it reflects that compared with the brand of Sweden, the brand of China is feeble.

If I am to summarize the implications of research, I argue that new knowledge has been acquired as it has contributed to the literature review. As I present in that chapter, there are no extensive and specific investigations on this acquisition, since of this acquisition is relatively new. And previous literatures also lack the knowledge about the media’s viewpoint on Chinese investment. Now I have filled these gaps.

It can be seen in the literature review, previous research has pointed motivation and strategic motive for Chinese companies to choose the Sweden as their market. But they did not mention what concerns will emerge in Swedish society when Chinese companies invest in Sweden. As this study shows, China’s direct investment funds alleviate some of the financial squeeze for the Swedish or other Western companies
which faces debt crisis. But with the influx of these funds, an anxiety emerged that the value of its country of origin will be weakened, like Swedish-ness. In addition, the previous research point out Chinese government intervention is serious. In this study, excessive government intervention has been extended to another level, as well as the negative impact for Chinese overseas investment.

This research realizes the requirement to focus on media representation and attached importance to be paid to the challenges that follows with economic migration from developing economies to developed economies. However, the acquisition of Saab is a dynamic process, and the direction of its future is yet to be known. It needs a more detailed and in-depth analysis, but it goes beyond the scope of this thesis. Nonetheless, it will be an interesting field that is worth studying in further.
8 Bibliography

8.1 Books


### 8.2 Articles


8.3Online Newspaper Articles


8.4 Online Magazine Articles


8.5 Web page

### 8.6 Appendix

**Appendix No. 1**

#### List of Samples

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Publishing date</th>
<th>Newspaper</th>
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<tbody>
<tr>
<td>Sample N. 1</td>
<td><strong>Saab Gets a Financing Lifeline in Deal With Beijing Carmaker</strong></td>
<td>3 May 11</td>
<td><em>The New York Times</em></td>
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<td>Sample N. 2</td>
<td><strong>With Chinese Cash, Saab Starts Rolling Again</strong></td>
<td>27 May 11</td>
<td><em>The New York Times</em></td>
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<td>Sample N. 3</td>
<td><strong>Saab Signs Up Another Chinese Investor</strong></td>
<td>13 Jun 11</td>
<td><em>The New York Times</em></td>
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<td>Sample N. 4</td>
<td><strong>Saab-China collaboration could secure 245 million kr</strong></td>
<td>4 Jul 11</td>
<td>Göteborg Daily</td>
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<td>Sample N. 5</td>
<td><strong>Replace Muller as Saab CEO: local politician</strong></td>
<td>27 Jul 11</td>
<td><em>The Local</em></td>
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<tr>
<td>Sample N. 6</td>
<td><strong>620 million kronor to Saab from Chinese partner</strong></td>
<td>12 Sep 11</td>
<td>Göteborg Daily</td>
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<td>Sample N. 7</td>
<td><strong>Saab to reshuffle board, save company</strong></td>
<td>1 Oct 11</td>
<td><em>The Local</em></td>
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<td>Sample N. 8</td>
<td><strong>Pang Da: Saab comment 'a misunderstanding’</strong></td>
<td>12 Oct 11</td>
<td><em>The Local</em></td>
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<td>Sample N. 9</td>
<td><strong>Saab's Hopes Fade as Chinese Investors Lose Interest</strong></td>
<td>20 Oct 11</td>
<td><em>The New York Times</em></td>
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<td>Sample N. 10</td>
<td><strong>Saab: administrator wants to cancel reorganization process</strong></td>
<td>21 Oct 11</td>
<td>Göteborg Daily</td>
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<td>Sample N. 11</td>
<td><strong>Saab CEO rebuffed Chinese purchase bid</strong></td>
<td>21 Oct 11</td>
<td><em>The Local</em></td>
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<td>Sample N. 12</td>
<td><strong>Swedish Automobile tears up agreement with Chinese partners</strong></td>
<td>24 Oct 11</td>
<td>Göteborg Daily</td>
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<td>Sample N. 13</td>
<td><strong>Saab Sputters On, Saved by 2 Chinese Automakers</strong></td>
<td>28 Oct 11</td>
<td><em>The New York Times</em></td>
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<td>Sample N. 14</td>
<td><strong>Billion kronor investments from future Chinese owners: Saab</strong></td>
<td>31 Oct 11</td>
<td>Göteborg Daily</td>
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<td>Sample N. 15</td>
<td>Chinese officials support Saab deal ‘in principle’</td>
<td>1 Nov 11</td>
<td>The Local</td>
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<td>Sample N. 16</td>
<td>China positive to Saab takeover</td>
<td>1 Nov 11</td>
<td>Göteborg Daily</td>
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<td>Sample N. 17</td>
<td>GM halts sale of Saab to Chinese firms</td>
<td>7 Nov 11</td>
<td>The Local</td>
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<td>Sample N. 18</td>
<td>Saab – what is a Swedish car anyway?</td>
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<td>The Local</td>
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<td>Sample N. 19</td>
<td>Saab Files for Liquidation After G.M. Balks at China Deal</td>
<td>19 Dec 11</td>
<td>The New York Times</td>
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<td>Sample N. 21</td>
<td>Youngman plans new Saab bid</td>
<td>19 Jan 12</td>
<td>Göteborg Daily</td>
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<td>Sample N. 22</td>
<td>New bidder in the Saab saga shows its hand</td>
<td>3 Feb 12</td>
<td>The Local</td>
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<td>Sample N. 23</td>
<td>Dagens Industri: Youngman places bid on Saab</td>
<td>3 Feb 12</td>
<td>Göteborg Daily</td>
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<td>Sample N. 24</td>
<td>Youngman makes new Saab offer: owner</td>
<td>20 Feb 12</td>
<td>The Local</td>
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<td>Sample N. 25</td>
<td>Youngman willing to invest billions on new Saab models</td>
<td>20 Feb 12</td>
<td>Göteborg Daily</td>
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