How African Economies Work

A Guide to Business and Economics Reporting

Edited by Nixon K. Kariithi

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KONRAD ADENAUER STIFTUNG

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Foreword

Dear Readers,

Do you know how important it is for a journalist to be able to read the annual report of, let us say, the car-manufacturer Volkswagen? Or one of a big mining company in the DRC? Or how crucial it can be for a journalist to discover the shortcomings in the new budget presented by the Minister of Finance in Kenya? The reactions, not only of shareholders but also of consumers and voters, depend partly on what business journalists, these gatekeepers for readers, make of the information they receive and research.

Unfortunately, there are fewer and fewer experts in newsrooms and at universities on the African continent who can tell the younger ones how to do this. It is therefore that KAS Media Africa ran a coaching programme from 2017 to 2019, in which business lecturers from ten African universities started developing curricula to teach business journalism at their institutes in Namibia, Nigeria, Cameroon and Zambia, to name a few.

Professor Nixon Kariithi, a Kenyan-South African teacher and former journalist, helped to draft and develop these curricula, assisting with suggestions and recommendations, which he discussed from his desk in Johannesburg via WhatsApp and Skype with the colleagues in remote places on the African continent.

This publication brings together the research papers of the lecturers who worked with Kariithi, covering a diverse range of economic and financial topics. It intends to share with other interested practitioners some of the challenges and rewards for business journalism today.

While journalism is experiencing difficult times, we need it more than ever as the critical observer of developments on the ground. Furthermore, business journalism is needed to assist and explain what makes our economies run and what makes them fail.

I would like to thank all the contributors to this publication; most of all I am grateful to Professor Kariithi for his passionate way of fighting for good business journalism in Africa. KAS Media Africa is proud to have worked with Kariithi and the others.

Christoph Plate
Director KAS Media Africa
Johannesburg / Addis Ababa, November 2019

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Nixon Kariithi, CEO of Tangaza Africa Media, South Africa, is one of Africa's leading scholars in business and economics journalism. His other teaching and research interests include quantitative research methods, African media systems, media economics, and media and politics. Kariithi holds a BA, University of Nairobi, Kenya; an MA, Cardiff University, UK; and a PhD, University of Houston, USA. He was previously Associate Professor and the Pearson Chair of Economics Journalism at Rhodes University, SA and Associate Professor and Head of Media Studies at the University of the Witwatersrand, SA. Kariithi has held visiting professorships at Cairo University, Egypt; Addis Ababa University, Ethiopia; and City University of New York, USA. He is co-editor of *Untold Stories: Business and Financial Journalism in African Media*, and author of more than one dozen journal articles and book chapters on business and economics journalism.

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Nixon K. Kariithi,
South Africa

Introduction

Whither business and economics reporting in African media?

Introduction

At the dawn of the third decade of the 21st century, Africa has won the accolade of being the fastest-growing region of the world on numerous fronts. The World Bank regards it as a continent of “vast opportunities” and one that is “poised to create an entirely new development path harnessing the potential of its resources and people”. It is home to the world’s largest free trade area — the African Continental Free Trade Agreement — and a market of 1.2 billion people. In the World Bank’s 2019 Doing Business Index, five of the ten most-improved countries are in Africa, and one-third of all recorded reforms occurred in sub-Saharan Africa.

In a recent commentary, Landry Signé and Ameenah Gurib-Fakim summarised the new wave of optimism about Africa’s development trajectory: Over 400 African companies boast annual revenues of $1 billion or more, and 700 more report revenues of over $500 million. An assessment of 360 companies from 32 African countries reveals an impressive average annual compound growth rate of 46% in 2019, up from 16% last year.[1] Signé and Gurib-Fakim highlight additional reasons for the continent’s radical economic shift: renewed investments in agriculture, massive infrastructure spending, unprecedented growth in private sector investment, and prospects that intra-Africa trade could grow by 15%-25% by 2040 and boost economic output by $29 trillion by 2050. The 2019 Africa Attractiveness Report by EY (formerly Ernst & Young) confirms the continent's strength in consistently maintaining high economic growth levels and a high ratio of foreign direct investment (FDI) to GDP.

The rosy picture above needs to be seen against a backdrop of significant challenges for many African countries and their people. Despite strong and sustained economic development for over three decades, poverty remains the continent's biggest challenge, with nearly 500 million people in extreme poverty. The continent remains vulnerable to global trade and economic shocks, the latest being intermittent trade wars for which African countries have no substantive response even though they are directly affected. In addition, there are growing warnings of energy and power deficits, climate change effects, rising public debt burdens and youth unemployment. Other warnings relate to perennial economic debates about the systematic exclusion of significant segments of the continent's population from wealth generation, the unsettling repercussions of populist politics, and the waning influence of liberation movements after decades of domination.

Poverty of the business news beat in Africa

Never in Africa's recent economic history has the need for incisive business and economics reporting been more urgent. The optimism that undergirds much conversation about Africa's economic growth trajectory is palpable in global conferences and specialist commentary on global platforms. However, it fades to a whisper across the African continent, muted by poor media coverage of business activity and economic issues.

Unlike most news issues, business and economics appear to generate little interest among African reporters, often because they are misunderstood as being tough news beats with an audience limited to executives and specialists. Given that most reporters enter journalism with general qualifications, there are widely held perceptions that covering business and economics is challenging. Numerous studies by journalism educators have also identified innumeracy — a poor grasp of numbers and data — as a major explanatory factor why reporters show little interest in business and economics reporting. Still, others focus on Africa's heavily centralised economies as a significant deterrent to forthright reporting, with politically connected entrepreneurs being hostile to any attempts by the media to shed light on their activities.

Whatever the cause of this observed reluctance among reporters, the impact has been profound. With dismally limited and often trite coverage of business and economics issues in most African countries, public understanding of, and engagement with, the salient issues are conspicuously absent. An absence of public discourse means that business and economics are hardly ever subjected to substantive public scrutiny, and neither are individuals and entities that play in these important sectors identified as major influencers and critical social actors in everyday life across Africa. In many ways, African media's failure to probe topical economic and business issues has insulated significant segments of society from broad public enquiry, thereby muzzling critical democratisation voices.

The scale and implication of these failures are difficult to discern. For example, it is difficult to say whether Botswana's media should have widely reported on and debated the appointment of former president Festus Mogae as non-executive director and later chairman of the country's supermarket giant Choppies Ltd.[2] Intense public discussion and scrutiny of such an appointment would have highlighted the evident conflict of interest this entailed, as well as other pertinent corporate governance concerns. The implication of this specific appointment for Botswana's democratic consolidation is substantial: the potential for undue influence in the awarding of state tenders, stymied competition in the supermarket business, the encouragement of similar behaviour by other influential individuals and entities, and the disenfranchisement of Botswana's public on their "objective" perception of a major social actor like Choppies Ltd. The fact that an ex-president served actively on the board of a major listed company in his own country for over a decade (2008-2019) demonstrates the extent to which the failure of business reporting has wide-ranging societal consequences.

The conspicuous absence of effective business and economics reporting in many African countries presents a conundrum, with a striking resemblance to the failure of the business media in North America and Europe to predict and expose the 2007 global financial crisis.[3] Media critics questioned whether the business media was to blame for the global crisis, and wondered, "How is it that no one saw this coming?"[4] A peculiar parallel emerges between this and the failures of African media in reporting business and economic issues, in that little evidence exists that African media have paid much attention to the continent's great accomplishments being alluded to by global institutions and at international conferences. Major African projects, policies and occurrences are hardly ever interrogated by the national media. As a result, there are often no public discussions about the size of a hospital, the scale of a new Eurobond issue, or the rationale of budget allocations. Rather, news coverage begins when projects have already been built, a Eurobond issue has been completed, or budget allocations are announced. On private sector activity, almost no public scrutiny happens, even though the entity may have been issued with a range of government licences that required some due diligence.

A cynical question could be asked of African media whenever they reveal a new business story unfolding on the continent: how is it that *someone* saw this coming? Indeed, musing over a fresh business and economics story may in fact happen, given the media's significant level of detachment from goings-on in the business and economic policy-making realms. Considering that myriad decisions are made concerning the business sector and the national economy each year, failure by the media to report on them, as well as encourage debate through which the public can discuss any relevant issues, is a significant loss for Africa's young democracies.

That this failure by African media lingers suggests that little has changed in two decades since Kariithi (2002) wrote:

> ***The [African] economics beat, in general, lacks the sparkle that draws audiences or triggers public debates. Most business coverage across different media is disconcertingly similar, shallow and unquestioning, often because it is a reproduction of a press release or technical report. Too often, business reporters do not distinguish between personalities and issues, nor develop links between related macroeconomic events. When data are not forthcoming from government sources, key issues are underreported and under-analysed.***

He added:

> ***Even in those countries with larger private sector engagement, the business and finance beat shares these characteristics. A few major corporations dominate the private sector and the business pages, probably because they are also the largest advertisers. Indeed, in some situations business journalism is equated to reporting on what these corporations want reported; this can mean that the most mundane events receive prominent coverage. Financial journalism—especially personal finance issues—is scant and often limited to coverage of the minuscule stock exchanges in many of these countries. Much coverage has less to do with empowering people to make better financial decisions and more with assisting***

> ***significant corporate players maintain a regular visibility in the press.***

A few exceptions have been noted in South Africa, Kenya and Nigeria, the countries with the most vibrant business media. For example, between 2016 and 2019, some sections of the SA media pioneered investigations into the extent to which a previously unknown Indian family perpetrated a multi-billion-dollar “state capture” scheme. Thanks to the sustained media coverage, a major enquiry was initiated. In Kenya, a major leasing scandal dominated business news between 2004 and 2009. The role of the business media and civil society in keeping these issues alive has been widely acknowledged, even though no convictions have even been handed down (see for example Bachelard, 2010; Jarso, 2011; Madonsela, 2018).

A new hope in building business and economics reporting

The hope for business and economics reporting in Africa lies in continent-wide efforts to open the minds of media practitioners to this news beat. All contributions are welcome, from workshops and short courses to elective course offerings in journalism or communications degrees and fully-fledged business and economics journalism degrees. In between, efforts to build effective curricula to teach the courses are also welcome. It was one such effort, KAS Media Africa’s business reporting project, that came up with the idea of a book to serve as the first text for use at ten African universities which have committed to teaching business reporting in their degree programmes. In addition to undertaking training, African business journalists should explore networking opportunities among themselves and, wherever possible, create professional associations that can serve as vehicles to promote professional standards and ethics. Finally, the best business and economics stories are those told from the reporter’s heart, with love and purpose. Loving the organisations that power African economies and provide jobs for hundreds of millions of people across the continent is the first requirement of any business reporter. It is through such conscientious treatment of business issues that reporters will recognise the real stories. Without journalists building in a sense of purpose in their business and economics reporting, any aspect of a story can become the main aspect, regardless of its importance, and whether or not it reaches the core of African business and the African people.

Organisation of the book

The chapters that appear in this book represent a range of classic and critical research into contemporary business and economics news issues, as well as analyses of professional issues relating to the practice of business journalism in Africa. The 12 chapters are organised into three sections that emphasise different aspects of business and economics reporting in Africa. As a pioneering piece of research in this sub-field of African journalism and media studies, this book has tried to achieve two objects: to provide reporters with the technical contexts of specific business and economics fields, and thereafter to build reporters' abilities to report and write about those fields. The book chapters were selected by the respective authors, and each author was limited to one chapter due to resource constraints. As such, there may be substantive areas of business and economics reporting that have not been covered by this book. This observation notwithstanding, the book is expected to serve as a useful text for journalism students venturing out on practical assignments or simply reflecting on their completed work to identify areas of improvement. All chapters are written in accessible language and purposely avoid extensive theoretical expositions in order to ensure that the book remains a guide for those readers new to the field of business and economics reporting, and also a companion text for those aiming at research and other more advanced tasks.

Part I, Theoretical perspectives to business and economics reporting in Africa, provides critical perspectives for understanding how issues in the news are constructed, and the role of key actors in the construction of the product called news. Nhamo A. Mhiripiri explores the extent to which a lack of critical analysis of the so-called Panama Papers reflected broader pedagogical and philosophical concerns regarding African media scholarship. Ellard Manjawira employs a sociology of news approach to interrogate the utilisation of source-generated content by business journalists in Malawi.

In Part II, Practical business and economics reporting, a number of themed chapters approach typical business and economics news assignments from a variety of perspectives, with the overall goal being to apprise readers of critical elements they should consider when executing these important assignments. The chapters also provide more advanced students with useful approaches to conducting research on issues relating to business and economics reporting. Abdallah Katunzi utilises case study and content analysis to investigate press coverage of extractive industries in Tanzania. Zakaria Tanko Musah also employs the case study method to examine media coverage of the microfinance industry in Ghana. Nixon Kariithi uses an interpretive method and issue frame analysis in his expository chapter on reporting the national budget. Manka Akwo utilises media content analysis to study the coverage of stock markets on three African online news platforms.

Part III is devoted to a mixed blend of pedagogical perspectives on business and economics reporting. Among the studies are two chapters that pioneer research into emerging topical issues that are likely to dominate media coverage in future. Elva Gomez De Sibandze explores artificial intelligence for African journalism and media students, and concludes that more work is needed in this area as AI becomes more prevalent in daily life. Oyewo Olusola Oyeyinka looks at the evolution of business and economics journalism teaching at a Nigerian university. Muyiwa Popoola examines specialised reporting options for business and economics journalists. Nixon Kariithi and Juliet Tembo examine media reporting of illicit financial flows (IFFs) and money laundering in Africa.

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Endnotes

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Part I

Theoretical perspectives to business and economics reporting in Africa

1

Nhamo Anthony Mhiripiri,
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The Dearth of Business and Financial Reporting Scholarship in Africa

and Philosophical Implications of the Absence of African Media Scholarship on the Panama Papers

Investigative journalism is nearly synonymous with the specialised area of business and financial reporting. The exposure of corruption and other financial scandals requires leaks from whistle-blowers to responsible journalists or the news media's diligent investigations of such acts. The exposure of corruption is in the public interest, for the public good, and an integral aspect of the media's normative duties that require them to make accountable both the state and the market players. It is unusual that the scholarship on African media's performance in the fight against financial rot in the private and public sectors is scant. Indeed, business and financial reporting in Africa is highly neglected. However, it becomes very worrisome when African media scholars nearly totally neglect the area of business and financial reporting, especially when there are some landmark developments in the area. The most recent exposure of financial irregularities came through what is commonly known as the Panama Papers. About 380 journalists worldwide, including African journalists, were involved in the massive unearthing and exposure of the "rogue" offshore financial industry that involved the operations of the corporate service provider Mossack Fonseca. An anonymous whistle-blower leaked information about fraud, tax evasion, and other irregularities to two journalists working for the German newspaper *Süddeutsche Zeitung* (SZ). The two roped in over 350 journalists across continents, including journalists from Nigeria's Premium Times and The Namibian. The amount of information provided was so massive it competed in volume with what was shared through the WikiLeaks. Many

African businesspersons and corporations are implicated in the Panama Papers.

As part of emerging but robust critical media scholarship which aims to transform socio-economic and political relations through committed epistemic engagement (Mutsvairo, 2018; Mhiripiri, 2018), this study is interested in ascertaining why African media scholarship is virtually silent on the coverage of the Panama Papers in the African media. What Bastian Obermayer has termed "the largest international investigative journalism of all time" in the book *The Panama Papers: Breaking the story of how the rich & powerful hide their money*, seems not to have carried as much attention, vigour, scope and momentum as it should, in spite of many prominent Africans having been named in the "scandal" (Obermayer & Obermaier, 2018a).

Previous events have drawn many responses from African scholars, as new empirical material became available for critical study. A good example is the immediate response from media scholars on the significance of the 2010 FIFA Football cup, which was historic in that it was the first such football bonanza to be held on the African continent. Political developments and the inception of new media technologies such as smartphones and internet connectivity have equally spurred vigorous responses from African media scholars, both on the continent and in the diaspora. It is worrisome that the leakage of 11.5 million documents of tax evasion and fraud that involve some Africans has not stirred critical interest, yet nearly all African media scholars purport to conduct scholarship in the public interest. Two African media scholars, Ellard Manjawira of the University of Malawi and Abdallah Katunzi of the University of Dar es Salaam, were interviewed to ascertain why they have remained silent on this important "scandal". Critical discourse analysis will be applied to the interview responses and online African newspaper articles to make meaning of the power-academia nexus, where scholars have shown an unusual silence on a topic of public interest. A possible correlation or interrelationship is therefore established on whether business and financial reporting is a neglected area in African media curricula because of African scholars' lack of interest in the area. Admittedly, some African media scholars, in collaboration with the Konrad-Adenauer-Stiftung, are trying to redress this anomaly, but even then the 2017 meeting of this group of scholars barely mentioned the Panama Papers directly.

Business Journalism and Investigative Journalism

Research and literature on business and financial journalism in Africa are slowly but surely growing. In fact, it is also complemented by some online critical podcasts and lecturers. A simple google search of key terms such as "business journalism in Africa" or "financial journalism in Africa" produces a modest number of audio-visual clips, some emanating from interviews and others from lectures and conference proceedings. The subject-matter on business and financial reporting is as wide and eclectic as to include a focus on reporting on corruption, the performance of economies of African countries, the ethics of business reporting, specific financial scandals, investigative journalism on economic issues, and of course the epistemology and envisaged trajectory of business and financial reporting. The scholarship on business and financial journalism is significant because it is believed that critical training of the special skills and critical appreciation of the subject area is in the public interest. The public, who constitute readers and audiences of business and financial stories, can follow trends and make informed decisions on their participation in the market economies of the various African countries. Such scholarship also enables journalists to hold governments, markets and other important economic players to account.

Kareithi and Kariithi's (2005) *Untold stories: economics and business journalism in African media* is arguably the first compilation which is acutely conscious of the nexus between African media and economics and business journalism. The book is a by-product of the discussions conducted by the African Economics Editors Network (AEEN), formed in 1999. Kareithi and Kariithi (2005:ix) wrote:

> ***The Network's primary mission is to improve economics, business and financial journalism in Africa through increased resource sharing, training, and interaction among African economics and business journalists. The ultimate objective is to improve discourse between the African media, the corporate sector, and African society in general with a view to finding meaningful solutions.***

The book immediately grapples with the nomenclature of the area of attention, with different chapters variously using at times interchangeably names such as "development journalism", "economics journalism" and "financial journalism". The broadness and pervasiveness of economics and development issues compelled Kariithi to include in his study much news that would generally be considered as "non-business news". This included stories on government policy, the workplace, cooperative activities and so on, mainly because these inherently contain information of an economic slant (Kariithi, 2005). Other writers try to be precise and limit the area of critical study to economics, business and finance. This chapter deliberately skirts the ever-present challenges emanating from demarcating the area of study of materials and acknowledges the interrelationship of the areas named above. This, of course, can be a shortfall which will, however, remain in the background, demanding concerted definitional attention in future.

An inherent quality of all investigative journalism is usually the aspiration to correct the wrongs of institutions and powerful authorities. The urge to serve the public interest against unscrupulous and corrupt individuals and institutions is ingrained in all brilliant journalism, including business and financial journalism. The operations and endeavours of the best of African journalism is therefore not an exception in this lofty quest. This is attested for in Harber's (2018a) *Southern African Muckraking: 300 years of investigative journalism that has shaped the region*. True, the edition is preoccupied with murk in government institutions and private-company circles, and from politics to business deals. Writing about this journalism of exposé and accountability, which often requires selfless bravery from the scribes, Anton Harber (2018b: xi) notes:

> ***The paradox of investigative reporting is that in pursuit of the loftiest objectives it often brings out the ugliest aspects of the societies we live in. It usually involves a great deal of digging in the darkest places and hanging out with scum, which is why we call these journalists muckrakers — those who dig around in the dirt. These journalists usually have disdain for those who peddle the 'sunshine journalism', which is based on the belief that society is best served by highlighting the good and the positive over the ugly and the unjust, and contempt for journalists who like to be seen with celebrities. They are journalistic disrupters; those who strive not just to reflect on our societies but to question, probe and make uncomfortable those who wield power and authority. Their natural mode is distrust and they have an instinct for the muck. But they are usually doing it for the public good.***

The first exposé from South Africa published in *The Memorial* in 1705 was written by Adam Tas and signed by 63 others and eventually led to the dismissal of Governor Willem Adriaan van der Stel. The governor used his political position to elbow out competitors in supplying commodities to the market, and he was also on an uncontrolled rapacious accumulation of land, labour and animal husbandry. When the story came into the public domain, Tas was imprisoned for about 13 months before the Dutch East Indian Company instituted an investigation that confirmed the allegations in the publication, actually finding a much more extensive state of corruption (Davie, 2018).

Muckrakers on stories of financial improprieties and criminal acts often are cajoled and offered bribes to drop the story, or they are harassed, intimidated, threatened and arrested, and in the worst cases they have disappeared without a trace or are simply assassinated. Those who have disappeared or died because of their work include Carlos Cardoso from Mozambique (see Rodrigues, 2018:209-214), and Angola's Ricardo de Mello (Gastrow, 2018:203). The murder of journalists especially has a chilling effect on those who dare conduct investigative journalism. It is violent statement meant to warn those of similar ilk, both audacious journalists and whistle-blowers. After the deaths of Cardoso and Mello and the disappearance of Azory Gwanda in Tanzania, there was a decline in investigative journalism in those countries.

However, courageous journalists now take extra precautions to protect their lives and those of whistle-blowers (informants). Before the exposé of the Gupta family's state capture in South Africa and how the family has shady businesses that irregularly benefit from its link with the South African state, journalists made sure they had adequate security. The investigative journalism team — amaBhungane [1] — let nothing to chance, securing their laptops, ensuring their smartphones did not betray them inadvertently to dangerous agents, and even leaving South Africa for a foreign safe haven with the Guptaleaks on the eve of the news publication (Harber, 2018b). There is a realisation that, with major news break outs of grave scandals, there is a need for collaborative work among trusted selected journalists across media stables. Thus, news break outs are strategically timed to be industry wide, with individual newspapers or stables culling out their scoops from the mass of material at a mutually agreed strategic moment.

The collaborative nature of investigative journalism is an evolving strategy which is also discernible in the leaks and news management emanating from what is known as the Panama Papers. The secrecy of conducting the research leading to the final publication across the world bears a close resemblance to how the Guptaleaks were managed. Anton Harber is aware of the significance of collaboration in investigative research, hence he too makes affinitive links between the way the Panama Papers and Paradise Papers (which he aptly refers to as "two large-scale data dumps that brought together journalists across the world to break stories of a scale and significance that went beyond national borders") to the "19-member team from three different media operations that led the #GuptaLeaks exposé" (Harber, 2018b: xxi). In this age of abundant information that is facilitated through digital technologies, it is inevitable that human and material resources should be pooled together and strategically coordinated in order to intelligently manage mass data arising from digital records, email and gigantic computer memory, including satellite digital memory.

Background

Before focusing on the business-journalism scholar's pedagogical and ideological duties to critical thinking and discursive treatment of the Panama Papers, this paper first outlines the controversies and complexities associated with the breaking of the Panama Papers story into the African and international public spheres. Such a background might help eventually to explain the nature of the response towards the Panama Papers among African business and financial reporting scholars. There are hardly any academic book chapters or journal articles focusing on the news break, which Edward Snowden has dubbed "The biggest leak in the history of data journalism". A massive 11.5 million leaked documents were sent through encrypted channels, exposing the business records of 214 000 offshore companies, most of which were registered in Panama at the Mossack Fonseca premises. The documents were leaked from an anonymous source.

The first critical problem with the Panama Papers debacle is that the authors of the book Panama Papers and several other authoritative people acknowledge plainly that there might not be any illegality or irregularities in investing in offshore companies or so-called tax evasion. In spite of the hype surrounding the Panama Papers, there are certain things a curious reader quickly finds out; these discoveries tend to dampen the initial excitement of experiencing a genuine exposé of illicit financial flow and tax evasion. The "brothers Abermay/ier" divulge right in the second page of their enthralling book, "There are of course many reasons for using an offshore company and of course owning one is not in itself a criminal offence". Nonetheless, the co-authors quickly infer a seamy side to the whole activity of founding an anonymous offshore company. Whoever forms one wants to hide something, most likely from the taxman, from an ex-spouse, a business partner or the inquisitive scrutiny of the public.

The second issue is that the exposé becomes an ideological and discursive case pitting the capitalist Western nations and those with whom they normally do not see eye to eye. Admittedly, the exposé led to the resignation from office of the Prime Minister of Iceland, Sigmundur David Gunnlaugsson. Former Great Britain Prime Minister David Cameron's integrity as a public official was first shaken by the initial disclosure before he eventually resigned from office on other issues. However, the association of the "scandal" with Russian President Vladimir V Putin and high-ranking Chinese government officials brings a difficult ideological perspective. There might appear to be an attempt to destabilise countries that compete economically with capitalist centres such as the USA and their allies. In fact, the Chinese have imposed a media blackout on the issue of the Panama Papers.

The third issue is that the authors again expected an anti-climax in the general mood and perception of what constituted the Panama Papers and their significance among the generality of the people. The soaked-down vivacity associated with the exposé hence could not assure there would be a prolonged coverage of the issues that would eventually attract the critical attention of academics. The International Consortium of Investigative Journalists, which partnered with ZS and other media organisations, has had to revive interest in the Panama Papers through the publication of outcomes in the aftermath of the breakout (see Dalby & Wilson-Chapman, 2019).

Third, African journalists could simply have backed away from pursuing the stories emanating from the Panama Papers for fear of financially crippling litigation, given that there is a general understanding that holding offshore accounts and owning shell companies is not technically criminal. Mired in these ambiguities and controversies, could they be the reason African scholars desisted from a critical attention to the Panama Papers, especially the virtual avoidance of mentioning high profile Africans who are embroiled in the Panama Papers.

Philosophical considerations

The importance of financial and business journalism to Africa and the rest of the world is arguably greater now than it ever was in the past, due to the widespread participation of global citizens in markets, or the effects of market dynamics on people who might not realise their lives are inevitably part of the capitalist system. For example, in the USA, the financial crash of 2008 was caused by the over-spending of banks and many ordinary investors lost homes on mortgage. In Africa, a great deal of money is lost through corruption or the externalisation of billions in African funds into offshore accounts. While the significance of business and financial news appears critical and significant, there are worrying trends which also show financial news does not receive correspondingly significant space and time. Business and financial journalism scholar Chris Rouch notes, in an online video clip, a worrisome decline in the number of newspapers with standalone business and financial news sections, as well as the reduction of staff members in newsrooms responsible for the production of business and financial news. Observing the trends in the US print media in the twenty first century, Rouch woefully notes:

> ***Daily newspapers have dramatically cut back on their business news coverage. Very few of them still have standalone business sections any more. Business news is now inside the world section or the international news section inside, or the metro section. And they may have one third or one half of the business journalists that they previously had on their staff. As a result of that what you have seen is in most major cities the weekly business newspaper has become the more dominant or the more prevalent provider of business news and information in those markets.***

Indeed, other media platforms, such as radio, television and the Internet news portals, carry sections on business news, but these remain specialised sections which are not as ubiquitous as would be befitting the widespread participation of citizens, companies and governments in business and financial transactions in their everyday lives. In short, there is a disproportionate allocation of business and financial news space and time in the media, as compared to news of politics, sports and entertainment.

That the Panama Papers leak has global ramifications with direct links to the state of the economies of countries of the Global South, such as the African continent, is not disputable. In the foreword to the book Panama Papers, Luke Harding (2017: vii) makes a chilling analysis:

> ***In April 2016 something … hidden in plain sight was exposed. Namely that the offshore industry — centred in tax havens like the British Virgin Islands — was not, as had been previously thought, a minor part of our (capitalist) economic system. Rather it was the system. Those who dutifully paid their taxes were, in fact, dupes. The rich, it turned out, had exited from the messy business of tax long ago.***

This is an unsettling discovering showing that the world's struggling majorities across continents, and in Africa in particular, were contributing taxes to public coffers while the rich used public amenities for free as they evaded taxation through investing in tax havens. Of significance too is that the world economies and financial systems are so intricately interlinked nowadays that what happens elsewhere has a direct bearing on a local economy. With that interconnectedness, it is also chilling to note that critical scholarship is predicting an apocalyptic end to the capitalist system in general, due to its inbuilt lines of tension that lead to unresolvable crises. Treatises such as Amin's (2011) *Ending the crisis of capitalism or ending capitalism*, Perkin's (2005) *Confessions of an economic hitman*, Stiglitz's (2012) *The price of inequality*, and Rickards' (2014) *The death of money: the collapse of the international monetary system* highlight the unsustainability of the global economic and financial system based on 'primitive' and rapacious and irresponsible accumulation by a minority elite dotted throughout the planet. These critical works also predict the explosion and implosion of the capitalist system. This will not spare African countries whose peoples have largely survived on the margins of the global economy. It is therefore important that African media and scholarship stays vigilant and prepares its people for future developments. Such mediation must be predicated on the best values of moral and ideological commitment to the upliftment of humanity to better systems, entailing better standards of living and equality (Gramsci, 2007; Mkandawire, 2011).

The ethical and philosophical underpinning of business and financial journalists are nearly obvious. Since business is associated with bread and butter issues or people's livelihoods, it is only fair that issues of social justice and the public good or public interest underline or are the backdrop to any business and financial story. Terry Thompson uses normative exemplars to underscore the philosophical imperatives of business and financial reporting:

> ***Sometimes getting people to talk is only a matter of looking beyond the press releases and spin doctoring. The best stories are yet to be told, but many require journalists to leave their familiar surroundings and venture onto some new turf. Writing these stories requires cultivating different kinds of sources and perspectives. As reporters, we are supposed to be fair and able to stand away from the story we report. But as business reporters, we often become cheerleaders for capitalism without realising it. We report that XYZ Super Drug Company had fabulous financial results, but we don't look deep enough to discover that the company is dumping inferior drugs on Third World countries. We trumpet the financial successes of technology companies, but we fail to chronicle the overwhelming whiteness of the industry or the fact that many tech companies refuse to hire minority suppliers, let alone minority workers (Thompson, 2000: 237)***

Having noted the inherent “intellectual-moral orientation” (Gramsci, 2007:28) or “deontological duties” (Mkandawire, 2011) of African business journalism supported by an equally committed academia for business and financial reporting, it is clear why the Panama Papers debacle is worth studying from an African perspective.

Nigeria: Breaking the story and legal implication of the Panama Papers

Premium Times was the only Nigerian media organisation included in the exclusive investigations of the Panama Papers. It had total access to the documents obtained by *Süddeutsche Zeitung* that were shared by the International Consortium of Investigative Journalists, involving over 400 journalists and 80 media organisations throughout the world. The newspaper took a decision to name powerful Nigerians who held offshore companies in Panama, and on occasion issues emanating from the Panama Papers instigated threats of litigation against the newspaper. However, *Premium Times* said it possessed irrefutable evidence and had done due diligence before publication, and nearly all legal threats fell away due to exposure of evidence through publication. A highlight was when the *Premium Times* dared those whom it alleged facilitated the opening of secret companies and offshore accounts for others (see Adebayo, 2016).

By 2017, *Premium Times* had published more than 30 stories with incriminatory details disclosing concealed offshore accounts and properties of many well-known Nigerians. The paper’s investigative journalism justified its celebration of the winning of the Pulitzer Prize, which was collectively won by the ICIJ and its partners for the work around the Panama Papers (Olawoyin, 2017).

Nigerian newspapers are of the view that the government and the Nigerian legal system are not committed to prosecuting people implicated in the Panama Papers leak. Journalist Leke Baiyewu writes in a long analytical article in the *Sunday Punch* of 17 April 2016:

> ***As the wave of controversy over Panama Papers moves across the world, sweeping persons and institutions off their feet, it appears not to have shaken anyone or anything in Nigeria. This is despite that several prominent Nigerians are alleged to be among the Africans named in the data detailing secret offshore assets released by a German newspaper, Suddeutsche Zeitung.***

The newspaper disclosed names of Nigerians allegedly linked to Panama secret firms. The report said individual Nigerians, civil rights groups, the labour unions and activists lobbied for the investigation of those implicated “in the illegal transfer of funds, and prosecution of those found to be liable”. The report was also cognisant of the fact that not all offshore accounts were illegal. Human rights lawyer Femi Falana expounded the matter:

> ***Private persons are not prohibited from keeping accounts wherever they like. However, public officers have always been barred by the Code of Conduct Bureau and Code of Conduct Tribunal Act from operating foreign accounts in any manner whatsoever. To that extent, former and serving public officers whose accounts have been published in the Panama Papers are liable to be prosecuted, if they had failed to declare them in their asset declaration forms. Second, the onus is on them to prove that any funds in such accounts emanated from their legitimate income.***

Subsequent media reports said the Nigerian government commenced investigations on all Nigerians named in the papers, to establish the legality or otherwise of their actions. The Nigerian Economic and Financial Crimes Commission was reportedly working with Interpol as it compiled reports. Meanwhile, ordinary Nigerians used social media to urge the named public officials to resign. There were genuine fears that the Panama Papers would be discarded like previous similar Nigerian ‘scandals’.

Zimbabwe and a polarised Zimbabwean media

Zimbabwe’s newspapers subtly revealed the polarisation in the media sector, with privately owned newspapers eagerly pouncing on the purported link between former President Robert Mugabe and Panama Papers named business tycoons John Bredenkamp and Billy Rautenbach. Reports in *Newsday* and the *Financial Gazette* also alleged the Mugabe regime used the business tycoon to bust sanctions imposed by countries such as the USA and UK, after the controversial land reform programmes and allegations of human rights abuses by the Zimbabwean government. *Newsday’s* headline declared the relationship between former President Robert Mugabe and business tycoons:

> ***“Mugabe allies implicated in Panama Papers” (Chidza 2016). Writes the Financial Gazette, “A wealthy Zimbabwean businessman has been named in the Panama Papers that detail how businesses,***

> ***politicians and prominent individuals circumvented sanctions and avoided tax through the formation of shell companies."***

Zimbabwe's private newspapers were often criticised for being unpatriotic, and for acting as "saboteurs and agents of imperialists". Ordinarily, it is unusual for a media organisation based in a country to publish stories that allege that a besieged native government is using specific techniques to counter sanctions from its detractors. That was tantamount to economic treason. However, Zimbabwe-based newspapers such as the *Newsday* and the *Financial Gazette* made such announcements with impunity, and without any state censure, and they were assisted by foreign-based Zimbabwean newspapers and journalists such as *The Zimbabwean* and Ray Choto. The stories, largely hard news, often contained leading words and insinuated graft and corruption. Recurrent words and phrases included "launder money", "illicit financial flows", "shell companies", "offshore accounts", and "busting sanctions". Zimbabwe is under sanctions from the USA, UK, and several EU countries, and it is not coincidental that Zimbabwe's privately owned newspapers nearly always mentions "sanction busting".

Reserve Bank of Zimbabwe Governor Dr John Mangudya was quoted saying, "Violation of exchange control rules and regulations is a punishable offence". The state-owned *Sunday Mail* preferred to focus on the illegal and illicit activities of companies with no direct links with the government and the ruling party, ZANU PF. They wrote a story on the country's biggest platinum mining company, Zimplats, alleging that top company managers did not pay corporate tax on salaries. The newspaper pointed out that the managers were possibly in breach of the Exchange Control Regulations and the Anti-Money Laundering Act. A claim was made that Zimbabwe "lost US$3 billion through illicit financial flows between 2009 and 2012", and US$500 million in 2015 alone. Such revelations were ostensibly meant to incite public outrage against capitalist corporates. Mangudya was quoted in the report:

> ***There is no company or firm in Zimbabwe that is authorised to operate offshore accounts for the purpose of paying its senior managers who are Zimbabweans and working in Zimbabwe. That practice bodes around externalisation and thus typical case of illicit financial flows. Zimbabwe is not aware of that practice, which, if proven, is a blatant violation of the country's exchange control policy. Violation of exchange control rules and regulations is punishable offense.***

The *Sunday Mail* revealed that the allegations against the mining company are part of a wider investigation into the use of tax havens that were first triggered by the Panama Papers expose. The Panama Papers included correspondence that, on 5 November 2012, a Mossack Fonseca registered company paid salaries into offshore accounts of unnamed executives at mining firm Zimplats.

Sudan, Panama Papers leak and political contestation

In Sudan, the disclosure through the Panama Papers gave one newspaper the opportunity to raise political and moral displeasure with an older long ousted former president. Former President Ahmed Osman al-Mirghani died in exile in Egypt in 2008. He was accused of syphoning millions of dollars from Sudan to the Panamanian tax haven. The disclosure conveniently did not mention any contemporary Sudanese politician or businessperson, by implication legitimising the status quo and positioning them in comparative moral good stead. What was important is that, much as al-Mirghani was no longer a political force in Sudan, Sudanese newspapers such as *Sudan Tribune* [2] conveniently linked the deceased to a major opposition party, thereby politicising the issue.[3] Another Sudanese newspaper, *Dabanga* [4], alleged that, while in exile in Egypt, al-Mirghani "maintained an important role in the opposition Democratic Unionist Party". The mentions insinuated that the family conducted dubious financial deals, and hence was unworthy of public office.

> ***"The name of former Sudanese President Ahmed Ali Al Mirghani, who died in November 2008, has been cited as one of the 'Power Players' in the breaking Panama Papers scandal, implicating several world leaders in tax and sanctions evasion and money laundering over the past 40 years."***

A simple critical discourse analysis of the statement above shows that the late Sudanese leader is implicated in having done something wrong and illegal. Words such as 'ímplicating', 'tax and sanction evasion', and 'money laundering' instantly condemn al-Mirghani as a culprit. Despite the often assured condemnation of the implied 'wrong-doing' and 'illegality' of investing in offshore accounts, the Sudan Tribune carries a hesitant line on the matter: "It is not clear why the Sudanese politician resorted to this technique typically used for tax evasion or money laundry. He did not hold any official position at the time", the newspaper states. This suggests that under Sudanese law, al-Mirghani might not have committed any financial crime.

Kenya and a murder that remotely insinuates Kenyan links

Investigative journalism into financial corruption is a high-risk terrain, with numerous testimonies from journalists who at best have been cajoled and offered bribes, or threatened with libel to keep their silence, and at worst harassment, beatings and assassination. Malta journalist Daphne Anne Caruana Galizia was car-bombed on 16 October 2017. She was renowned for her investigative blog *Running Commentary* and her regular columns in *The Sunday Times of Malta* and later *The Malta Independent*. Announcing Galizia's death, Kenya's *Daily Nation* immediately linked her to the exposure of high-ranking Kenyans who purportedly evaded tax through investing in Panama shell companies. "A Maltese journalist who led the Panama Papers investigations that linked former Deputy Chief Justice Kalpana Rawal and other high-ranking Kenyans to a string of shell companies registered in a notorious tax haven has died" (Kiage, 2017).

The *Daily Nation's* article suggested, albeit in a quiet but associative manner, that it was only those implicated in the Panama Papers issue had reason to eliminate Galizia. Much as the silent innuendo was far-fetched, it had implications for ethical news writing. By virtue of occupying public office, Ms Rawal was compelled a year earlier by the Kenyan Law Society to provide documents of incorporation of all her companies and those of her husband registered in any other jurisdiction outside Kenya (Ochieng, 2016).

The African global picture of financial graft

Most of the articles published about the Panama Papers focused on nation-specific alleged culprits, before noting that the problem was not confined to the specific African country being reported on. For example, Zimbabwe's *Financial Gazette* story entitled "Urgent probe of Zimplats after Panama Papers leak" ended with a reference to South Africa:

> ***In South Africa, Finance Minister Pravin Gordhan said individuals and corporate organisations implicated in the Panama Papers leak would be probed by the Reserve Bank, the South Africa Revenue Service and other authorities in the country.***

News24 wrote on 5 April that "several prominent figures from at least 17 African countries appear in the Panama Papers". Nearly all the named people were closely related to ruling powers, and they straddled Algeria, Angola, Botswana, DRC, Egypt, Ghana, Guinea, Ivory Coast, Kenya, Morocco, Nigeria, Rwanda, Senegal, South Africa, Sudan, Zambia and Zimbabwe. Rather sardonically, economist Carl Manlan, an executive secretary of the Africa Against Ebola Solidarity Trust told *Goats and Soda*, an online publication that, "Africa is not the only corrupt continent", since the Panama Papers mention many other people "linked to the scandal" from other continents. He added:

> ***The Panama Papers revealed that a company in Uganda avoided $400 million in taxes in an oil deal. That represents more than the country's annual health budget. Does that upset citizens? ... People don't understand what it means that $400 million disappeared. We need to translate those numbers to the common man. How many people would have been treated for HIV ... Most countries are trying, driven by civil society, to present their national budgets in a way that makes it easy for people to understand. South Africa has the People's guide to the Budget, which shows, at the government level, a willingness to assure that each individual can understand how tax money is being spent.***

In 2012, the African Union set up a panel to investigate illicit financial flows in Africa. It was chaired by former SA President Thabo Mbeki. The panel found that Africa lost about US$50 billion per year through illicit financial outflows. Mbeki noted that money left the continent through, among other means, base erosion/profit shifting, mis-invoicing and tax havens. While initial estimates of lost money per annum was put at $50 billion by Mbeki's commission, trade statistics published by the IMF put the amount between $80 billion and $90 billion. Mbeki said, "central banks have a role to play in terms of tracking money which goes through their systems". He welcomed the Panama Papers exposé as it justifies why tax havens and financial secrecy jurisdictions must be eradicated.[5]

Views of African academics teaching business and financial journalism

The responses from questionnaires sent out to university academics teaching business and financial journalism and participating in the KAS-sponsored programme on business reporting make for serious reading for the state of business and financial journalism scholarship in Africa. The returned questionnaires, from academics at Tanzania's University of Dar es Salaam and the University of Malawi, had intriguing insights into the actual practice and scholarship of business and financial reporting. Business and financial reporting was taught as a single module at both universities, and there was no specialised degree programmes for this field. The neglect of the academic side probably correlated with the perceived size of the job market:

> ***In Tanzania, business and financial reporting is not journalists' favourite area. Most journalists/media focus largely on political stories, and rarely you find business/finance stories on front page or as first news in radio and TV news bulletins. The reportage is largely triggered by events, and information is being largely sourced from sector's CEOs and managers. Rarely, you find an investigative or analytical piece on B&F. In terms of sourcing, most of the stories rely on one single source group (i.e. managers only, CEOs only, government officials only etc), and not using different source groups. The use of documents as sources is at the lowest ebb, despite the existence of mountains of B&F reports.***

In Malawi, business and financial reporting was underdeveloped and there were no newspapers wholly dedicated to writing and publishing in the area. Similarly, in Tanzania, the industrial sector is struggling with only one newspaper, *The Business Times*, coming out every Friday. The *Financial Times* ceased its publication early in 2019, after it had been resuscitated only a year before. Another newspaper, *The Citizen*, largely reported on business and finance issues, but was not wholly dedicated to the specialised genre.

Unlike the Tanzanian media, Malawian newspapers virtually did not report on the Panama Papers. The reason could be there was no Malawian mentioned in the expose, while 45 Tanzanians were named. Another disconcerting possibility of non-coverage of the Panama Papers break out in Malawian media, according to academic Ellard Manjawira, is that Malawian "reporters did not read about the Panama papers hence had no knowledge of the issues raised" (Author interview). Tanzanian papers reporting the Panama Papers gave "a mere report of the findings of the Panama Papers" and "very few newspapers" attempted to critique or "establish the relevance of the (Panama Papers) to (the) Tanzanian context." This was tantamount to both misinformation and disinformation; hence there was considerably less public outrage against Tanzanians implicated in the alleged financial improprieties or externalisation of funds. The public disinformation and misinformation are compounded when academics do not investigate the veracity of an alleged financial scandal, nor do they explain and simplify to journalists and the public what such financial activities imply.

Even when local people were not implicated in a financial scandal, it was imperative that the local media, academia and citizenry paid attention, given that no country was immune to 'localised' world events or processes. For example, ideologically committed academics like the late Samir Amin made connections between the Wall Street financial crash and its implications for the crisis of global capitalism (Rickards, 2014; Wallerstein, 2005; Stiglitz, 2002; Moyo, 2012). Numerous academics have revealed the economic connectedness of global financial and economic systems which perpetuate the exploitation of the Global South, and, since most academics' work is funded through public funds and resources, it is necessary that academics assume an epistemic position of vigilance to ensure the best benefits for global citizens as a public service (see, for example, Amin, 2011; Hayek, 2006; Wallerstein, 1999 and 2005; Perkins, 2005; Stiglitz, 2012, and Acemoglu & Robinson, 2013). Such is the "intellectual-moral orientation" (Gramsci, 2007:28) or the "deontological duties" (Mkandawire, 2005) of the academic — or any other socially and politically committed scholar elsewhere — that they should uphold as a philosophical public service contribution to social justice and equality.

Conversely, Tanzania did not publish any financial scandals in their newspapers, while on the other hand Malawi paradoxically had several in the recent past. Manjawira (2019) reports there were several business and financial scandals covered in Malawian papers in the last 12 months. These include:

> ***creation of bogus bank accounts by government officials, inflation of police food ration contract by an Indian who gave bribe worth millions of dollars to the ruling party, millions embezzled at Malawi diplomatic missions, millions of litres of generator diesel disappear at the electricity supply corporation of Malawi, Government spend 1 billion kwacha on new vehicles, president's aides awarded 307 million package, etc.***

Both Manjawira and Katunzi believed that critical investigative business and financial reporting would serve the public interest through exposing financial mismanagement and the embezzlement of public funds. Katunzi hoped that the collaborative work underpinning the Panama Papers could be replicated in investigative journalism on business and financial news in Africa.

Conclusion: Business journalism and following the money

African business journalism research is on the ascendancy, although it still requires considerable institutional and technical support for its long-term sustenance. The literature review shows the awareness of the significance of business and financial reporting as a critical area which inarguably wields a great deal of relevance for the news- and information-receiving readers and audiences. There is no Africa-focused standalone journal on business and financial journalism that would ensure the regular publication of scholarly evaluative and critical articles on business and financial journalism.

A general review of the leading journalism and media studies journals reflects the paucity of articles with a business and financial inflexion. Articles might be on the business and financial dynamics of journalism and media studies, in particular, not for the sake of critically studying and unveiling how business and financial trends are reported on in general. Scholarship on business and financial journalism should ascertain how all these issues affect, inform and educate African consumers and citizens in order to improve their standards of living. Citizens make business choices and decisions from what they are provided through media. The public interest is an integral normative element of the media; it also includes but is not limited to media identifying business crime, malpractices or serious financial impropriety that have repercussions on the lives of people.

In an online video clip Nick Binedell, Dean of University of Pretoria's Gordon Institute of Business Science, believes financial journalism is important in contemporary more than ever before because Africa is attracting attention business-wise both locally and globally. He therefore underscores the significance of good financial journalism. Says Binedell,

> ***Africa is getting a lot of attention globally, and of course within the continent as well. And the importance of having good journalism, good financial journalism, economically literate, well focused on the business issues is absolutely critical and particularly data driven journalism. There is a lot of journalism of opinion. But when you look at the facts out there it helps with investment. When a company is looking at investing and there is good data about an industry or a sector, they are much more likely to invest than to worry about not knowing what's behind the numbers or the analysis. So, a critical way of upgrading the attractiveness of Africa is to have good and quality journalism. It also keeps the business on the spot. Companies are releasing press releases and journalists are asking great questions about them. It raises the game.***

To sustain critical financial journalism, there should be collective collaborative work across sectors. Workshops and conferencing for both journalists and academics specialising in business and financial reporting are vital. This facilitates an exchange of useful information between journalists and academics, government, investors, industrialists and people in commerce, news writers and readers. Collaboration at all levels is pivotal for a journalism that is meaningful to different interest groups and individuals. When the University of Pretoria's GIBS entered an inclusive business and financial news programme with Bloomberg and Ford Foundation, they realised the importance of involving academics in both business and in journalism. Benidell notes:

> ***It's critical that these sectors work together in Africa. So there is better sort of transparency and connectivity; and between people are commenting on the economy, commenting on business, commenting on government. And it is a mutual literacy and knowledge and insight on sets of relationships. Countries need to attract investment, and to do so they have to get the message out about how their companies and industries are performing, how their countries are performing. So this is an ideal collaborative partnership of many sectors in the countries.***

Writing in the *Penn State Law Review*, Trautman (2017) provides a review of the Panama Papers, "the world's largest whistleblower case". He notes that, since the disclosures became public, they triggered abrupt regime changes in some countries, and a likelihood of future political disruptions in other countries. "It appears likely that important revelations obtained from these data will continue to be forthcoming for years to come", notes Trautman.

From a global perspective, the aftermath of the leak is characterised by a growth in anti-corruption treaties and the recovery of assets from kleptocracies (Trautman, 2017). Tax evasion is now more explicitly redefined to discourage greedy kleptomaniacs, and governments, mainly in the Global North, have recovered taxes or accepted tax settlements from those who had wilfully evaded using tax havens. Unfortunately, many governments conduct tax issues as private and confidential; thus Dalby and Wilson-Chapman (2019) wrote three years after the break out:

> ***The $1 billion-plus Panama Papers' tally almost certainly understates total revenue raised as a result of the Panama Papers given that many countries do not disclose information on tax settlements. In Poland, the task force set up after the Panama Papers has operated in secret. "It did not provide media with any***

> ***kind of results, even off the record," ICIJ's Polish partner Vadim Makarenko told ICIJ.***

It was unclear whether any African government has recovered any tax from money externalised specifically from the Panama Paper scandal.

Another remarkable outcome of the leak is that the advent of collaborative work among journalists using new technologies of information and communication enables the speedier revelation and exposure of those who work against the public interest. The world's "have nots" are more than eager to fight for social and economic justice, using the available communication technologies and in a healthy collaboration with socially responsible mainstream media. Financial scandals and any illicit actions are likely to attract fast public censure, especially with the assured posting of details to name and shame the unscrupulous. Dalby and Wilson-Chapman contend that the "enduring legacy of the Panama Papers" might arguably be a change of behaviour and public attitudes with regards to graft. The two cite the Panama Papers as a "game-changer" through quoting Niger's ICIJ member Moussa Aksar, and founder and editor-in- chief of the *L'Evenement* newspaper who says:

> ***Today people in West Africa pay lots of attention when they do something and when they make a transaction. They say to themselves, 'There could be someone, somewhere working with ICIJ or another organization who will investigate this'. They don't cheat like they used to. They know that sooner or later they will be found out.***

If some African academics saw the critical significance of the Panama Papers in a change of attitudes, it was only worthwhile that African media and academia shoulder the responsibility of enlightening the African public so that the public supported these sectors to fight against graft and corruption. Public interest in business and financial matters and their outrage in the face of graft and corruption could offer some protection, unlike when the public remains indifferent to critical issues pertaining to their public coffers and standards of life. Trautman (2017:873) aptly notes with a radical exhortation to those who continue to exploit the poor majority, especially in Africa:

> ***Historians can easily recount how issues involving taxation and imbalances of power have led to revolutions in ages past. Then, military might was necessary to subjugate peoples, whereas now, curtailing information access is just as effective or more so, since***

> ***the act is often invisible. Yet we live in a time of inexpensive, limitless digital storage and fast internet connections that transcend national boundaries. It doesn't take much to connect the dots: from start to finish, inception to global media distribution, the next revolution will be digitized.***

Journalists and academics hence ought not to be complicit in the subjugation of the struggling majority through the witting or unwitting concealment of information.

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Endnotes

1 *AmaBhungane* is a Zulu word for the dung beetle which painstakingly moulds cow dung where it then lays its eggs.

2 Ex-Sudanese president kept money in offshore firm: document, Sudan Tribune, 4 April 2016. www.sudantribune.com

3 In private discussions, a Nigerian scholar noted that the spectre of the Panama Papers was often raised in Nigerian politics to question the moral blameworthiness of political contestants associated with the affair. The leak will probably be reinvented in Africa to settle political scores or to discredit political opponents.

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Understanding the utilisation of source generated content by business journalists in Malawi

Introduction

Over the past two decades, business journalism has emerged as an important field of news reporting in Malawi and Africa in general. This genre of news reporting has acquired a special status around the world, as manifested in special newspaper sections, television and radio programmes, as well as specialised publications and editorial teams tailored to business (Welles, 2001:18). However, the history of business journalism in Malawi has mixed results and performance. Although there has been a marked improvement in the general volume of output and content quality, the context and analysis are largely lacking. Among the contributing factors to this state of the profession is a lack of specialised and continuous training and skills development by training institutions and the specialised nature of business journalism. Most of the practising business journalists possess no qualifications or formal education and training in the field. As argued by Roush (2004:3), the increased demand for business news in many countries has resulted in general reporters being "routinely deployed to the business beat despite possessing no formal education and training".

Significant prior research in business journalism has focused on the content analysis of business news. However, minimal attention has been paid to how business journalists engage with news sources. The dearth of studies on news sources and their use in business journalism prompted this study. The study aims to understand the sociology and principles of business news coverage which uses source-generated ideas. Within the broad spectrum of the use of sources, one critical area worth studying is how business journalists interrogate content that originates from sources. This information is referred to as source-generated content and takes various forms such as news releases or statements, documents, statements, reports, communiqués and so on. Source-generated content represents a fast-growing and important source of news for business news.

This chapter is based on a project that investigated how business journalists in Malawi utilise source-generated content. Data for the study was mainly drawn from a content analysis of business stories, and a questionnaire administered to business journalists who are members of the Association for Business Journalists in Malawi (ABJ). The findings are critical to understanding the utilisation of source-generated content, and the challenges business journalists face when dealing with such content. In addition, the findings provide useful input for strategies that could be adopted in the teaching of business journalism.

Journalists and sources

While much has been written about news writing, relatively little is available to journalists regarding the preceding activity of news gathering (Kariithi, 2008:42). The study of news sources and their use by journalists and media organisations is an important area of research in journalism and media studies. Sources are the deep, dark secret power of the press, though much of the power is exercised not by news institutions themselves but by the sources that feed them information (Schudson, 2003:134). With the growth of the public relations industry and what is known as the politics of spin, more attention has been paid to the ways in which contending voices seek to get their messages across through the news media. The question of the degree to which competing groups and organisations can make their voices heard, and successfully gain access to the news media, is a key issue in the sociology of journalism (Anderson, Peterson and David, 2005).

Therefore, to understand news, we have to understand sources and how journalists deal with them. Extant literature documents the fact that that media organisations around the world are constrained by limitations on time and money, and also have the requirement to meet deadlines for putting up a news product on a daily basis or, in broadcasting, several times a day. The regularity of news production means news organisations thirst for readily available and reliable information. Studies of the sociology of news tend to view news-making as a reality-constructing activity governed by elites.

Hall (1978) advances the argument that powerful sources enjoy privileged access to the media. News agendas are seen as almost shaped by the frameworks provided by these privileged sources. Hall observes that such sources become over-accessed by the media and, therefore, become primary definers of issues. A business journalist, just like any other journalist, uses both primary and secondary sources. A primary source is a person who has a direct experience of an event or topic, while a secondary source might be a written report or document (Potter, 2006:6). Secondary information is originated by sources and is in forms such as news releases, statements, and reports. In their capacity as news gatherers, business journalists must learn to recognise the uses and abuses of source-generated or secondary information.

Overview of source-generated content

While much has been written about the nature of the content of news in the media, relatively little is available regarding sources. To this effect, attention ought to be given to the influence sources have on news output, and the actions they take to achieve this. Here, it is important to examine the source-centred approach that posits that both the agenda and content of journalism are intrinsic products of the communicative work of non-journalistic social actors (McNair, 2001:143). As such, it is necessary to examine the strategies formulated by sources of information to influence and use the news media. McNair (2001) notes that the output of journalism in general is increasingly the product of activity taking place out in the world beyond the journalist's immediate working environment, this being communicative work which is deliberately designed and organised to shape news in ways favourable to the individual or organisation initiating it.

The activities of sources have become so important that they have become the preserve of a professional group separate from, but dependent on, journalism. Such professionals are known by such labels as public relations practitioners, political consultants and communications advisors. The role of these professionals is to ensure that news is made readily available to journalists, and that this is done in a carefully designed form. The content, in the form of press releases and financial statements or reports, is generated by government, private business and non-profit organisations for the attention of the media. The content is either physically delivered to media organisations or sent to them through electronic mail. Journalists are also able to access the content online through the organisations' websites. Due to its ease of access, the use of source-based content in news reporting is a common feature across all media platforms.

However, such content must not be taken at face value, or, in other words, it must be subjected to some criticism. A press release may resemble a news story, but because it is produced by someone with a vested interest in the subject, it is not likely to tell the complete story (Potter, 2006:7). Press releases may be factually correct, but they usually include only those facts that reflect positively on the person or organisation featured. Even if a press release might look newsworthy, a professional journalist must first verify its authenticity and begin asking questions to determine the real story before deciding if it is worth reporting. Knowledge by journalists of the effective use of source-generated content is critical, and it applies to all forms of news reporting, including business journalism.

According to Roush (2006:8), business journalism refers to all reporting that is written not only about businesses but also about the economy. The term business journalism is used broadly to describe what Kariithi (2003:153) calls three closely related forms of journalistic endeavour: business, economics and financial journalism, although there are distinctions between the three.

Business journalism in Malawi

The media in Malawi has for decades been featuring business news, although its institutionalisation as a specialised area of journalism is a relatively new development. Early attempts at enhancing business reporting saw the establishment of *The Malawi Financial Post* and *The Malawi Financial Observer* in the early 1990s. This effort proved unsuccessful since the two publications, which are now defunct, contained more political than financial news (Chimombo & Chimombo, 1996:28). The prominence of business journalism emerged following the adoption of liberal politics in 1994. The wave of democratisation and the emergence of multi-party politics in the 1990s, which coincided with economic liberalisation, prompted business reporting to serve as a medium for information and a forum for economic debate and enquiry (Kariithi, 1995:382). Since the end of one-party rule, issues concerning the performance of the economy and people's welfare have dominated debate in political and social circles. The new political context after the 1994 elections stimulated public interest and involvement in matters of the economy. It is worth noting that to date Malawi does not have a free-standing business newspaper. Business news is carried as a section in a general newspaper or as a supplement.

Apart from the two daily newspapers, *The Daily Times* and *The Nation*, radio and television stations also feature business in their news and programs. These media institutions have institutionalised business coverage through the establishment of business desks alongside other beats such as politics, sport, and entertainment. It is also worth noting that compared to other African countries, Malawi lacks a well-developed business journalism regime. This development can be attributed to two major factors. First, the one-party rule that prevailed for 30 years after independence from British colonial rule (1964-1994) did not allow any journalism schools to operate. The only training writers or journalists got was either on the job, or at occasional workshops, or if they were lucky, by going abroad (Chimombo & Chimombo, 1996). This meant that the majority of those who practised journalism in Malawi during the period of one-party rule joined the profession without any formal training.

Formal journalism education and training were only introduced after the adoption of multi-party politics in 1994. Arising from this, the second contributory factor holding back business journalism results from the fact that existing journalism education and training models in colleges, universities and other institutions emphasise the training of general reporters. Journalism and media training institutions such as the Malawi Polytechnic and Chancellor College (constituent colleges of the University of Malawi), the Malawi Institute of Journalism, and other private institutions offer general programmes at certificate, diploma and degree levels. So far there has been no deliberate effort to introduce specialised programmes such as business journalism. The lack of specialised journalism training is one major factor contributing to the lack of skills and knowledge in business journalism. Mogweku (2005:63) observes that business reporting requires specialised knowledge and reporting skills. As such, media scholars agree that many media houses are ill-prepared to engage with this journalistic genre because there is a shortage of journalists with the knowledge and training to report competently on business (Lewin, 2002:21). This assertion by Lewin regarding the state of their knowledge and training holds true for most business journalists in media institutions in Malawi.

A study by Manjawira (2009) on the professional socialisation and training of business journalists in Malawi media produced two major findings. First, business journalists vary in their professional and educational backgrounds. Second, the majority of them had no prerequisite formal education and training in business reporting, and therefore had limited knowledge as to what constitutes professional business journalism, and limited skills with which to practice it. Malawi therefore offers a valuable context in which to explore the manner in which business journalists engage with source-generated content.

Source-generated content in business news in Malawi's media

In order to determine the extent to which source-generated content is used by business journalists, a content analysis of the business section of the two daily newspapers in Malawi, *The Daily Times* and *The Nation*, was conducted. The content analysis was done at two levels. The first level involved establishing the number of journalist-generated stories compared to those that were source-generated (refer to tables 1 and 2). In this context, a journalist-generated story is one in which the reporter puts in the effort to get information, while a source-generated story is one in which information was made available to the reporter.

Table 1 *Content analysis of The Daily Times business news section*

Week	Journalist-generated stories	Source-generated stories
1	19	39
2	18	36
3	13	36
4	15	34

Table 2 *Content analysis of The Nation business news section*

Week	Journalist-generated stories	Source-generated stories
1	15	42
2	12	46
3	18	44
4	12	49

The findings, as shown in tables 1 and 2, indicate that a significant proportion of business news in the two daily newspapers (about two thirds), is source-generated. Press releases, statements, and reports were the main sources of the stories. The second level of the content analysis involved evaluating some sampled source-generated content stories in terms of four basic principles, these being simplicity, context, analysis, and interpretation (refer to table 3). The sampled stories were *ADB outlines five-year plan for Malawi, Malawi shines on tax reforms, Demand for credit weakens, Inflation accelerates to 9.5%* and *Dealers urged against market risks*. Each of the stories was evaluated and scored against the four attributes of simplicity, context, analysis and interpretation using a scale from 1 to 5, where 1= poor, 2 = fair, 3 = average, 4 = good, 5 = excellent.

1. **ADB outlines 5-year plan for Malawi**

The African Development Bank (ADB) has outlined plans to advance corporate strategies and the country's most pressing development needs through its recently approved five-year Country Strategy Paper for Malawi.

In a published statement on the bank's website on Tuesday, the bank said the paper will seek to improve Malawi's low levels of industrialisation, infrastructure gaps in energy, lack of diversification, limited sources of export revenue and low financial intermediation.

"The strategic blueprint is articulated around two main strategic pillars focused on further development of the country's energy, transport, agriculture and water sectors. The first pillar proposes investments in infrastructure development, while the second seeks to advance investments in economic transformation projects and programmes.

"Through these pillars, the bank will aim to strengthen the foundations for private sector development by unlocking private and public investment, promote diversification, build economic resilience to reduce poverty and address rising income inequalities across gender," reads the statement in part.

The strategy blueprint is part of ongoing efforts to boost economic diversification, reduce dependency on rain-fed agriculture and build resilience for growth in the southern African nation.

The new five-year plan builds on the bank's previous Malawi Country Strategy Paper 2013 to 2017 and will advance corporate strategies and the country's most pressing development needs detailed in the Malawi Growth and Development Strategy (MGDS) III.

Government has identified, in the MGDS III, five key priority areas which can spur economic growth due to their impact and interconnectedness to other sectors of the economy. The five key priority areas were chosen on the basis of their alignment to the Sustainable Development Goals (SDGs), the goals of African Union Agenda 2063 and also by focusing on Malawi's economic and development needs.

The priority areas include economic sectors of agriculture, infrastructure, education, energy and other allied sectors as well as health.

Government has also identified flagship projects from the key priority areas which will be targeted for implementation in the next five years to capitalise on the available resources during the implementation period.

Minister of Finance, Economic Planning and Development Goodall Gondwe earlier said while the national budget will be the main implementation tool for this strategy, development players' participation in its implementation is key.

"It is my hope that all stakeholders will align their programmes and activities to this strategy so that together we can build a productive, competitive and resilient nation," he said.

As of October 2018, the Bank's active portfolio in Malawi covered 15 operations totalling slightly over $308 million (about K225 billion).

2. Malawi shines on tax reforms

The 2018 Oxfam and Development Finance International Commitment to Reducing Inequality (CRI) Index has ranked Malawi among the best 10 countries in the world in designing progressive tax systems aimed at reducing inequalities.

The report shows that Australia, Denmark and South Africa occupy the first three positions in that order, with Malawi on position seven while near the bottom of the tax index are Bahrain and Vanuatu, which have no corporate or personal income tax.

The report is developed to monitor the extent to which governments are tackling the gap between the rich and poor through three policy areas, namely public spending, taxes and labour market.

On the overall, Malawi sits on position 87 on the CRI Index, but occupies position 108 on social spending in relation to health, education and social protection and 121 on labour rights and wages.

On progressive tax systems, the index looks at progress on the three main sources of tax in most countries based on personal income tax, corporate income tax and value added tax (VAT).

Overall, in terms of tax, the data reveals that most of the countries that are performing well are high-income countries under the Organisation for Economic Cooperation and Development (OECD).

Reads the report in part: “This largely reflects the more progressive impact of their tax systems on reducing inequality, they collect a higher share of tax revenue from progressive income taxes, reflecting their larger tax base of individuals and corporations with sufficient income to fall into the tax net.”

It says in general, the countries also perform well in collecting tax, though with notable exceptions such as the USA.

The top low-income country is Malawi, which has a relatively progressive personal income tax structure and is collecting a relatively high share of its potential tax.

The report shows that none of the 157 countries is performing well in terms of reducing inequality through its tax policy as the average score is only 0.6 out of one, indicating that countries could do more.

“Performance is particularly poor in terms of the impact of tax on inequality, where most countries still have what are likely to be regressive tax systems, with a high dependence on indirect taxes,” reads the report.

It says, however, that some countries have managed to reduce their Gini-coefficients using tax policy, even though they are not collecting all the taxes they should.

This shows that countries with progressive tax structures and make maximum efforts to collect tax can have a big impact on reducing inequality through their tax policies.

In May this year, Minister of Finance, Economic Planning and Development Goodall Gondwe announced that government would shift from reliance on revenue from taxation of labour and investment (factors of production) to consumption in the medium-term, as it continues to embark on expanding the tax base.

In a published 2018 Economic and Fiscal Policy Statement issued by the Ministry of Finance, Economic Planning and Development, fiscal authorities said over the medium-term, government will be committed to implementing broad-based tax reforms to foster a simple, efficient, transparent and fair tax system.

Among other things, government said it intended to leverage the usage of information and communication technologies in tax administration and review some user fees and charges while improving efficiency.

"Tax policy initiatives will be guided by a shift in reliance on revenue from taxation of labour and investment [factors of production] to consumption," reads the policy statement in part.

In what could be looked at as direct result of these reforms, Malawi Revenue Authority (MRA) recently told the Budget and Finance Committee of Parliament in Lilongwe that it has surpassed its revenue collection target for the months of July and August by K11 billion.

MRA said it expects a further improvement in the first quarter of the 2018/19 fiscal year which rolled out on 1 July largely due to administrative changes it has implemented.

The attained target was attributed to implementation of the integrated tax administration system, now known as Msonkho Online, to improve the administration and enforcement of domestic taxes.

3. Demand for credit weakens—report

Despite the cost of borrowing money being a little bit softer, a Reserve Bank of Malawi (RBM) report has shown a declining trend in credit uptake by businesses.

Malawi Confederation of Chambers of Commerce and Industry (MCCCI) and Bankers Association of Malawi (BAM) have blamed this scenario on continued power cuts which have reduced industrial productivity.

The Financial Institutions Supervision Annual Report indicates that in spite of most banks portraying a satisfactory performance in the review period, credit pressures continued to be an issue largely due weak demand for credit and cautious credit policies being implemented by banks.

Figures show that between 2016 and 2017, loans grew by K5 billion from K417 billion in 2016 to K422 billion in 2017.

This is a suppressed growth compared to the previous years with figures showing that between 2013 and 2014, loans grew by K47 billion from K256 billion to K303 billion and between 2014 and 2015 loans grew by K94 billion to K397 billion from K303 billion.

MCCCI president Prince Kapondamgaga said in a written response on Tuesday that the results are a true reflection of the performance of the businesses which have been operating below their potential production capacity.

He said: "Businesses have since last year been struggling to operate due to energy challenges the country is facing and this was worse in 2017 than other previous years; hence, slowing down their interest to borrow."

Kapondamgaga said some businesses were also experiencing credit crunch in 2017 as the RBM engaged in continuous open market operations by issuing bonds or treasury bills as part of domestic resource mobilisation due to under performance of government revenue collection as well as declining performance of grants and budget support.

He said government's intervention in the open market crowded out private sector borrowing for investments.

Since December last year, RBM has kept the policy rate—rate at which banks borrow from the central as lender of last resort—at 16 percent, stirring excitement among businesses, but this has failed to trigger credit growth.

But Kapondamgaga says though the authorities have tamed inflation, currently at 8.9 percent, as well as interest rates at between 23 and 25 percent, the policy intervention alone is not enough to trigger effective demand or appetite for credit.

He said: "We need a package of complementary or supplementary policy interventions for a conducive enabling environment for improved business performance."

On the other hand, BAM president Paul Guta also blamed continued power shortages to slow credit uptake.

"As long as we continue with the power blackouts, productivity is not going to be there and this will trickle down to how much we lend to people. The slowdown in credit uptake is not good news to the economy or the banks," he said.

Guta, who is Nedbank Malawi managing director, said what is happening across the border, particularly in South Africa, whose economy is losing steam, could also have an effect on the local economy.

4. Inflation accelerates to 9.5 percent

Malawi's headline inflation surged by 0.2 percentage points in September 2018 to hit 9.5 percent as both food and non-food prices ballooned, the National Statistical Office (NSO) has said.

The development means Malawi's inflation is only 0.5 percent shy of hitting double digits.

According to NSO, food and non-food inflation was recorded at 10.2 and 8.9 percent, respectively.

The surge in inflation comes at a time maize prices are threatening to run away following pockets of food deficit driven by drought and fall armyworm attacks in some districts of the country.

The rise also comes at a time Malawi Energy Regulatory Authority (MERA) has in recent weeks nodded to increases in fuel and electricity prices.

Investment management and advisory firm, Nico Asset Managers, has since said it expects pressure on food inflation to continue mounting going forward.

"This is primarily due to the lean season beginning in September 2018 rather than October 2018. In addition, the below average market supply of maize and the institutional purchases being 17 percent above the average market price of K127 per kilogramme will exert pressure on food inflation.

"However, carry-over stocks from the previous season and cross border maize imports may slightly cushion the effects," said Nico Asset Managers in its September 2018 Economic Report.

It added that inflation pressures may continue to increase as the rise in global oil prices, local fuel prices, increased electricity tariffs, and other factors such as increase in water board tariffs, wage increases in the public sector, increased public expenditure in the run up to the 2019 elections and rising housing costs exert pressure on prices in the long term.

In its latest Monetary Policy report released last week, the Reserve Bank of Malawi (RBM) said it expects Malawi's inflation to average nine percent this year.

RBM was, however, quick to note that risks to the inflation outlook persist on account of further increases in administered prices, higher food and global oil prices, and increased public sector financing requirements.

5. Dealers urged to guard against market risks

The country's financial market dealers have been urged to put in place proper strategies that would help hedge against various risks on the market.

FDH Financial Holdings Head of Risk and Compliance, Sammy Chilunga, was speaking when he made a presentation titled 'Risk Management an Essential Ingredient to Sound Financial Market– International Best Practices and Emerging Issues' during the 2018 Financial Market Dealers Association (Fimda) Annual Conference.

Chilunga said dealers should change the risk culture and look at risks as part of the business on an on-going basis.

He said, globally, markets have evolved, giving rise to a new financial landscape, increasing complexity, and integration.

Chilunga said the new financial landscape is defining a more competitive beauty contest among countries and markets with greater rewards for good policies and projects but also greater punishments for mistakes.

He said financial institutions use a number of techniques to achieve leverage, including the use of repurchase agreements (repos) and swaps, options, futures and other structured products.

"There is need for sophisticated risk management systems. Increased volatility, greater interdependence and new risks have also made the structure of the risk exposure of banks and other financial institutions more complex.

"The implementation of risk management systems requires the adoption of a proper risk accounting framework. This will require more sophisticated investment guidelines based on sound risk management standards that take into account the unique characteristics of pension funds and other institutional investors," Chilunga said.

Chilunga said continued expansion of the breadth and depth of regulation, changing customer expectations, technology and analytics as a risk muscle are other structural issues that will change the financial market.

Table 3

Story	Simplicity	Context	Analysis	Interpretation
ADB outlines 5-year plan for Malawi	2	2	1	1
Malawi shines on tax reforms	2	3	1	1
Demand for credit weakens	1	2	1	1
Inflation accelerates to 9.5 percent	1	1	1	1
Dealers urged against market risks	1	2	1	1

Based on the scoring of the five stories, as shown in table 3 above, it is evident the stories fall short of the required principles of business news writing. Most of the stories failed to simplify the technical language to enable people to understand the story. They also did not provide a context in which the stories related to the prevailing local situation or to the people's experiences. To make matters worse, there was no analysis and interpretation, as they were largely a copy-and-paste of the information provided. The stories therefore were full of unexplained jargon that needs explanation.

Journalists’ engagement with source-generated content

A questionnaire completed by business journalists sought information on critical areas such as the frequency with which source-generated content is used, access, processing of information, challenges encountered, and the training required to improve the journalists’ capacity to handle source-generated content. The sections below outline the findings that were made, based on the information received from respondents.

Frequency of use

Data collected showed that the majority of the business journalists depended on source-generated content for their stories, with some of them indicating its use on a daily basis. Exceptions were those journalists who worked for weekly publications or were responsible for producing business or finance or economics programmes on radio and television, where such programs were not broadcast daily. For this latter group of reporters, the frequency with which they used source-generated content ranged from once, to twice, to three times a week. Reasons for this high dependency on source-generated material varied, but the general observation was that it was easily accessible and readily available. Limited resources on the part of their institutions prevented some journalists from moving around to look for stories, and this was mentioned as a factor contributing to their frequent recourse to source-generated content. One journalist pointed out that reports provide a valuable pool of data on which several stories can be built. For other journalists, source-generated content can provide tips as to which stories should be pursued.

Access to source-generated content

Respondents indicated that there were various channels through which they accessed source-generated content, ranging from email communication, websites, Facebook, and WhatsApp messages. Few of the respondents cited the use of hard-copy material, which shows how central information technologies have become to the dissemination of source-generated content.

News values in source-generated content

The most cited news values that journalists looked for in the source-generated content they used were impact, timeliness, conflict, and proximity. Impact was explained as being how the content would affect people and the nation, timeliness describes the newness or freshness of the issue, conflict was defined as the extent to which the content deviates from the norm, and proximity was seen in terms of how close or attached the issue is to people. Although the questionnaire did not require the journalists to give reasons for the news values they mentioned, it was evident that what journalists look for is information that will relate to people and the local context.

Information processing

From the responses, it became clear that there was no common structure as to how journalists processed the source-generated information into business stories. What did emerge in passing from the responses of many of the respondents was that elements such as verification, research and further interviews were important. As one journalist put it:

> ***I use press releases as a starting point, to get some basic information such as contact details, initial story ideas and some context. Then I start to make my own investigation through research, verification and follow-up interviews to churn out a story.***

Challenges faced dealing with source-generated content

Generally, all respondents indicated that one of the biggest challenges they face is that most of the information from sources is devoid of any news value, and is meant for public relations purposes. Some information is biased to suit the interests of certain individuals or organisations. According to one journalist:

> ***News releases are part of PR and most of them are a minefield for journalists as they are full of hyperbole, misleading, lack context and oversell the idea.***

Respondents further explained that in most cases the information is complicated, with technical terms and figures, and structured in such a complicated way that it requires them to make an extra effort to make sense of it. Social media was also mentioned as a challenge. Over 90% noted that it becomes difficult to know whether the content is authentic because of the proliferation of fake news on social media.

Teaching strategies to enhance skills in the use of source-generated content

From the responses, it is evident that most of the business journalists targeted for this study lacked the skills and knowledge as to how to use source-generated content. Not surprising was the fact that some 70% of the respondents did not possess any knowledge of the tests or processes that source-generated content must be subjected to before it is published as a story, and nor did they know how value can be added to the content. One journalist from a daily newspaper summarised the issue as follows:

> ***Since we do not specialise, maybe additional training in business reporting especially to do with statistics and economics would really do.***

In addition to journalists acquiring knowledge about the use of statistics, there is a need to teach them how to turn user-generated content into stories. In addition, what came out clearly was that there was a direct relationship between levels of education and the challenges faced by journalists. Those with lower qualifications, such as certificates and diplomas, and who had had no specialised training, faced more challenges than those with degrees or postgraduate diplomas, and who had attended specialist training courses. Based on this finding, it is recommended that in the teaching of business journalism special attention must be given to imparting the skills needed to treat source-generated content correctly, not as a story in its own right, but simply as raw material. Journalists need to understand, from beginning to end, the process they need to go through to make the best of the content they have, rather than just resorting to copying and pasting.

Conclusion

The study was aimed at deepening the understanding of business news in Malawi. It centred on the sociology and principles of business news coverage using source-generated content such as press releases and statements, documents, reports, and statements. The study has established that such content is an important and valuable business news resource for many media houses in Malawi. Based on data collected from a content analysis of stories from the media and questionnaire responses received from business journalists, it became clear that the journalists faced challenges in dealing with source-generated content for their stories. As evidence, the stories analysed in the study lacked the basic tenets of simplicity, context, analysis and interpretation. The stories were, by and large, a duplication of the original documents. In addition, the journalists themselves (through their responses) exhibited a lack of knowledge as to how to process the information. This study therefore recommends that there is a need to build capacity among journalists for more effective utilisation of source-generated content. This capacity-building must be made available to students at schools of journalism, and also to practising professionals.

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Part II
Practical business and economics reporting

3

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Press coverage on the extractive industries in Africa:
A case study of Tanzania

If Africans are to benefit from immense resource stores that lie beneath their soil, great efforts must be made towards transparency on how these resources are handled … the call for transparency cannot come from non-governmental organisations and individual leaders alone, African media have a critical responsibility to push towards government and corporate openness in the extractive industries (Behrman, Canonge & Purcell 2010).

Introduction

Extractive journalism is a specialised branch of journalism that deals with the reporting of oil, natural gas and mining (ONGM). It is a relatively new specialisation in Africa going by its adoption in journalism training curricula and in newsrooms as a fully-fledged news beat. Although it falls under the ambit of business and economics reporting, media outlets on the African continent have for years been relegating ONGM reporting to the periphery while emphasising other sectors such as the financial sector, small-scale industry, agriculture, and stock markets.

Tanzania alone has extensive proven mineral reserves of gold, nickel, copper, iron ore, diamonds, Tanzanite, limestone, soda ash, gypsum, phosphate, uranium, graphite, rare earths, coal and natural gas.[1] Activities in a number of these industries have been dogged by corruption, poor contracts and a general lack of transparency and accountability. Moreover, some of these extractive activities cause wanton environmental and social destruction. In this regard, the media need to play their watchdog role to ensure compliance with national and international regulations as well as the accountability of all institutions involved. In addition, revenues generated from extraction should be judiciously spent not only for the benefit the current generation but also for posterity by guaranteeing intergenerational equity. Against this background, it is essential for journalists to understand the operations of the nascent ONGM sector and their attendant implications.

Policy framework

Although mining exploration in Tanzania had been underway even before independence, not a single policy within the mining industry had ever acknowledged the role of the media in the sector's operations. The Tanzania Natural Gas Policy of 2013 explicitly acknowledged media roles in the industry:

> ***The role of the media in providing accurate and balanced information on the natural gas industry to the public is important. In this regard, the Media needs to strengthen their capacity in understanding the natural gas industry [...] to deliver information accurately and timely. This will increase public awareness, transparency and accountability on matters pertaining to the natural gas industry.***

Interestingly, the policy reduces the role of the media to "providing accurate and balanced information" and not overseeing the government's and companies' practices in the industry. Moreover, it leaves to the media the obligation to strengthen its own capacity for understanding the natural gas industry. Nevertheless, it is still a positive sign that the government recognises the media's role in the sector. Whether the media do provide accurate and balanced information or play their rightful role as an oversight estate requires a critical scientific appraisal. This chapter is a step in that direction.

Conceptual framework

In analysing the media coverage of the extractive sector, this chapter uses the extractive resource value chain as the framework for assessing the extent to which print media have been spreading their coverage across the value chain. The value chain comprises four segments, namely, *decision to extract, extraction, value enhancement, and revenue management*. Each part of the chain requires journalists to consider several aspects. Under *decision to extract*, journalists need to focus on issues such as political consensus, policy-making choices, national participation, strategic environmental assessment, regulatory institutions, and management of public expectations; *extraction* covers contracting, exploration, licensing, field development, production, decommissioning, abandonment and controlling costs; *value enhancement* includes issues such as sales, processing, refining, SME/manufacturing, power generation and spinoff services; and *revenue management* deals with infrastructural development, education, technical skills, development, intergenerational equity, social welfare, and income stabilisation. Although there are several aspects to consider under each chain, it is imperative to state from the outset that this chapter does not intend to assess how each of these chains and their considerations are covered or have been covered *(first and second level analyses)*, but rather limits its focus to the chains only *(first-level analysis)*.

Chart 1: *Extractive resource value chain*

Media coverage of the extractive sector: General outlook

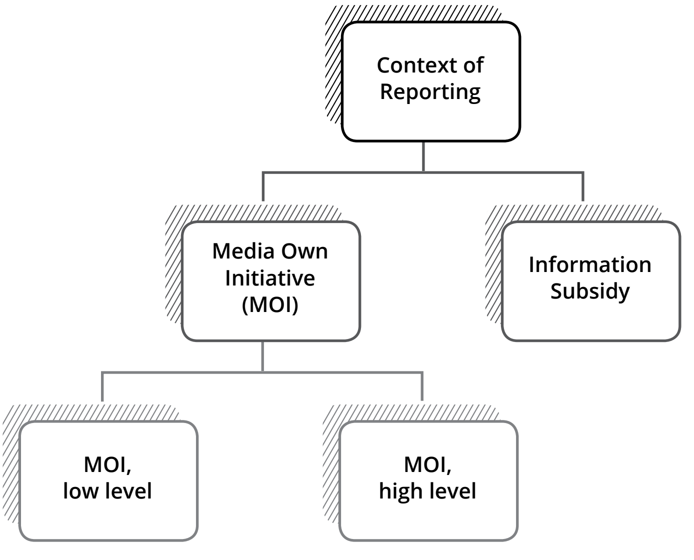
A general overview provides a glimpse of media coverage of the extractives industry using four quality indicators: context of reporting, sourcing, analytical reporting and root-causes.[2] From global studies, the four indicators constitute the prime qualities of any good journalistic piece. This outlook is informed by a content analysis of five newspapers — *The Citizen*, *Daily News*, *Guardian*, *Nipashe* and *Mwananchi*, published between January and December 2018. The first three are English language newspapers, whereas the latter two are Kiswahili newspapers. In all, 300 media pieces comprising news stories, features and commentaries were analysed. Some 25 newspapers were selected every month and five articles from each newspaper were picked for analysis. The reason for having the year-long project duration was to allow for a realistic assessment of the industry's coverage along the value chain.

Context of reporting

Context of reporting refers to the trigger of the journalist's information. It answers this question: What triggers information that journalists collect and process? There are two levels under the context of reporting. The first level occurs when the trigger is derived from information subsidy. The term *information subsidy* was coined by Gandy (1982) when he was studying the nature of the power relations between sources and journalists. Specifically, it refers to the provision of ready-made newsworthy information to journalists or the media by news sources, with the intention of getting media publicity. It includes press releases, press conferences, seminars, and workshops.

The second level has to do with what I call the *media own initiative* (MOI). This initiative happens when a media house or journalists pursue their own story ideas that they have generated. This level is also subdivided into two: MOI (low level), and MOI (high level). MOI low level captures stories in which journalists, on their own initiative, go out to interview, say, a local government official on how they spend monies accruing from the natural gas levy at the sub-national level. Conversely, under level one of information subsidy, a local government official can invite journalists to a press conference to discuss the same topic. MOI (high level), on the other hand, covers all stories of an investigative nature. Chart 4 summarises the context of reporting:

Chart 4: *Context of reporting* [3]



For this indicator, the findings show that 92% of the news pieces reviewed were products of information supplied. This implies that journalists or media houses do not generate their own ideas for reportage; instead, they rely heavily on information provided by sources, sometimes unsolicited, to get their story ideas. The remaining 8% constitutes MOI—albeit at the low level. This figure of 92% is not surprising, especially for an ultra-specialised beat such as extractive reporting. A study published in February 2019 titled *Yearbook on Media Quality in Tanzania 2018* [4], which analysed the general reporting quality of 25 media houses, shows that 60% of the entire sample (1,886 media pieces) was triggered by official calendar-subsidised information. Although both the figures of 92% and 60% are cause for concern, they reflect with fidelity the reporting quality prevailing in the country's mainstream media.

One might ask: What is the implication of all this? Why should someone bother? After all, the information published could be accurate and sometimes balanced. Ordinarily, this seems a simple thing that does not warrant serious attention. However, a critical eye reveals several effects worth considering: the practice is turning journalists into mere conveyors of information (devoid of any critical input, which is supposed to be the hallmark of news analysis); it provides spaces to powerful organisations to organise strategically-placed press conferences and workshops at the expense of weaker parties such as the affected communities and ordinary citizens (where the infamous brown envelopes might serve as additional incentives for journalists to fall into the trap of reporting in accordance with the designs of those behind such press arrangements). In other words, the journalists end up serving as pawns in the grand chess game of the extractive industry. To borrow from Noam Chomsky, they pander to the 'manufactured consent' of big personalities and organisations in the industry.

Furthermore, excessive reliance on information subsidy only compromises what Behrman, Canonge and Purcell (2010) want the African media, including Tanzanian media, to champion— "hav[ing] a critical responsibility to push toward government and corporate openness in the extractive industries." Yet, this orientation will remain a far-fetched dream unless media wake up and cease to be passive recipients of pre-packaged or "doctored" information, primarily aimed to serve the interests of the beholders, often at the expense of wider public interests.

Sourcing

Sourcing refers to who the sources are, the number of sources used and the diversity of those sources. The analysis shows that 84% of the sources are from the government (often scheduled or diary news), 12% from companies (often pre-planned and scheduled) and 4% from the public. The stories reviewed exhibit what media experts call the *single source syndrome* (the better phrase might be *single source sickness*) as 69% of the stories are single-sourced, implying they lack depth and comprehensiveness in addressing the issue at hand. This means that only 31% of the media pieces have either two or more sources.

This trend is partly explained by the government's decision to monitor the extractive industry by reviewing its policy and legal framework, engaging international companies on better government's share, tightening rules on mineral exports, and controlling the smuggling of minerals. In all these initiatives, government leaders — central and local — have been more outspoken than other actors in the industry, hence their prominence in the newspaper coverage.

Companies usually choose for strategic purposes to stay quiet on salient issues of public interest in case they work against them. However, it is extremely difficult to understand why the Tanzanian media or journalists would choose to marginalise the voices of not only the owners of these resources but also their ultimate beneficiaries, of the same from the resultant news—the public (refer to 4% above). As a result, the public — citizens — or the recipients of information, are reduced to robot citizens and are not active participants in the media public sphere whether wittingly or unwittingly by the media, depending on how engaged they are in dealing with the news sources. Yet the public are not only affected by extractive operations in terms of environmental and social impacts, but they also have a right to air their views on how they want the sector to be run.

One might be tempted to ask: Is this shortcoming happening only to the media in Tanzania? Are our media so poor that they neglect the voiceless at the expense of the powerful? In a study titled "Watchdog or Lapdog: Limits of African Media Coverage of the Extractive Sector" conducted in Ghana, Nigeria, and Uganda, the authors note that journalists' inclusion of public opinion in the extractive stories is 'virtually non-existent' as they only report the voices of government and corporate officials. This observation is also consistent with those of another study titled "Iraq Media Coverage on Energy Sector" that notes "there were no stories from the community level which carried local people as their main source."

In this regard, one cannot fault the community, the public, for this media shortcoming, as they are innocent bystanders. They may appear weak and lack resources to organise press conferences and issue press statements, but the mass media, in its watchdog role, owes it to the public to act for the common good when covering the extractive industry. In fact, the media's cardinal sin, it appears, is that, while the public would provide opinions that the government and extractive companies do not want to hear, they are hesitant to publish those views. The intricacy notwithstanding, the core responsibility of any media is, first, to serve the public. Unless this responsibility is fulfilled in practice by our media, readers will continue to be overwhelmed by voices from government and companies in a top-down, non-reactive hierarchical reportage where alternative voices, particularly from the grassroots, are muted for the nefarious gains of those with power. In other words, the voiceless and the powerless would continue being marginalised under this media set-up.

Analytical reporting

Most of the extractive stories reviewed lacked a deeper analysis of the issues at hand. In all, 94% (282) of the media pieces reviewed, constituted flat reporting. These stories carry basic information, as subsidised by the news sources, thus leaving the reader with many unanswered questions. At the low level, this indicates an over-reliance on information subsidy. Journalists report what the news sources want them to report, or what is supplied to them by their sources.

After all, both the press conferences and press releases have an explicit agenda that journalists tend to amplify through uncritical flat reporting. At a higher level, it is due to a lack of knowledge on the part of the messenger that tends to cause the reporter to succumb unwittingly to the lure of stories tailored by spin-doctors. On the whole, the extractive sector is a complex industry. Thus, for a journalist to report competently on the industry, he or she must be conversant with the industry's operations.

Due to a lack of knowledge on the part of journalists, readers are exposed to what I call extractive sector management stories. These are stories related to the operations of the sector such as the construction of a gas pipeline, construction of Liquefied Natural Gas (LNG), extractive sector forum meetings, extractive sites visit by government leaders, appointments, and instructions by government leaders to industry stakeholders. What is missing in this milieu is what the ordinary people want from the extractive industry, since their voices remain largely muted, or they are not heard. Under this scenario, the key stakeholders—the public—are reduced to bystanders on the receiving end of whatever the media uncritically gives to them.

One way of analysing an extractive story is to show its significance or consequences. Have a look at this hypothetical example: "AKGoldTZ operates at a loss of 16.4bn a year, the company CEO announced yesterday." A good journalist would go beyond this statement, which is information subsidy. Questions that immediately come to mind include: What are the consequences of this loss for the company, its employees, the industry, contractors, the state, shareholders, and the communities living nearby? What is the nature of the loss? Where is it coming from? What occasioned this gigantic loss? It is disheartening to note that deeper analysis is missing from the stories reviewed, hence leaving a yawning gap that needs to be filled by perceptive and curious journalists with a "nose for news".

Root causes

What does a root cause mean in media reporting? It refers to the ability of a journalist to elaborate clearly the reasons behind a problem or issue formulated in the basic storyline. This is assessed according to whether a media piece details reasons beyond just mentioning them and using buzz-words and makes an explicit and logical link between the basic storyline and the root cause. This element was measured at four levels: *no root cause* (where there is no paragraph dedicated to it); *yes, but little* (stands for one paragraph dedicated to it); *yes, large* (two to three paragraphs); and *yes, very large* (more than three paragraphs explaining the causes or reasons behind the basic storyline).

Out of the 300 pieces reviewed, only 23% (69 pieces) of the entire sample covered root-causes, largely defined as having two to three paragraphs dealing with the root-causes. This amounts to a professional lacuna. *The 2018 Yearbook on Media Quality in Tanzania* reveals a similar pattern as only 37% of the news pieces reviewed had two to three paragraphs on the root causes, with national radio stations having only 15% of its coverage dealing with root causes. Failure to include root causes undermines the understandability of stories by the readers, which in turn defeats the whole essence of writing these stories in the first place.

Press coverage of the extractive sector along the value chains

As stated in the conceptual framework, the extractive industry operates along a value chain, and for the print media to report effectively on the industry, they should spread out their reportage across the value chain. This section, therefore, discusses the performance of the newspapers reviewed in this regard. The review reveals three (3) major issues:

- Most of the stories and articles focus on the extraction chain and the revenue management chain;
- Stories and articles from the extraction chain focus mainly on licensing, exploration, and production whereas stories from the revenue management chain focus on the generated revenues; and
- Stories and articles under the decision to extract chain and the value enhancement chain—which are essential—are less covered.

Discussion

Falling in love with extraction and revenue management chains

The extractive industry has four major value chains — *decision to extract, extraction, value enhancement* and *revenue management*. These chains are arranged in sequential order as the first chain informs or guides the operation of the second chain and so forth. Logically, coverage needs to be spread out across the value chain to ensure not only systematic reporting, but also to create room for an extensive ability to check, verify and scrutinise the performance of each chain and how one chain affects the performance of another chain, either positively or negatively.

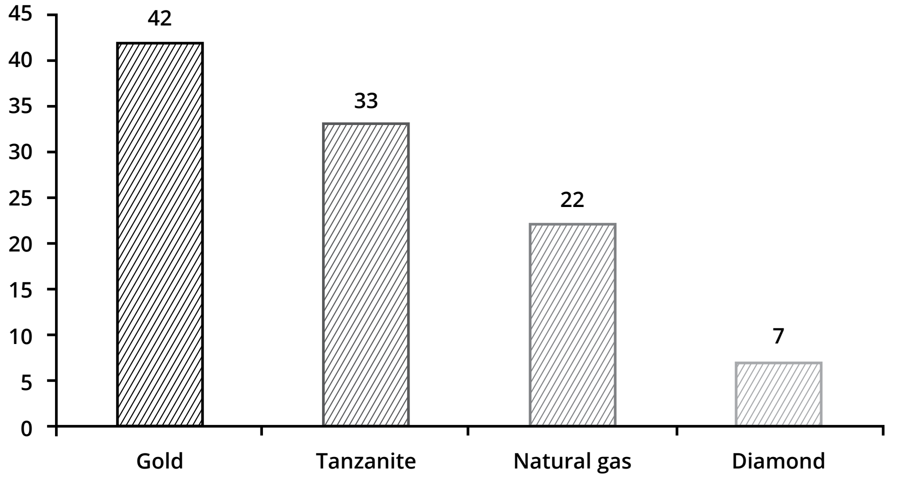
The review of newspapers indicated that media houses and journalists have fallen in love with value chain 2 *(extraction)*, and value chain 4 *(revenue management)*. In this regard, 104 (54%) media pieces were found to be on extraction and 89 (46%) on *revenue management*. Within the *extraction* chain, gold appeared in 42 media pieces, Tanzanite in 33 media pieces, natural gas in 22, and diamonds in 7, as Chart 5 illustrates.

Coverage of priority areas in *extraction and revenue management* chains

Within the extraction and revenue management chains, there are hot favourites for media houses and journalists. *Licensing, exploration* and *production* seem to attract journalists' attention within the extraction chain. Stories on licensing mainly come from the minerals sector. They encompass licensing, issuance, revocation of licences, licensing small-scale miners, and adherence to the terms of mineral licences by the holders.

For *exploration* and *production*, stories and articles were sourced from both mining and natural gas, with the natural gas companies leading as sources

Chart 5: *Types of extractive resources covered*



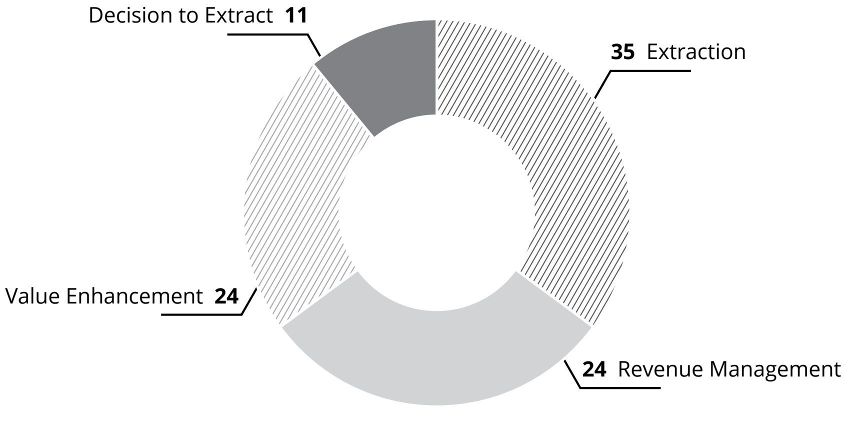
of production figures and exploration. Stories originating from these two areas include the status of exploration per mining site and gas well (issued by companies), the status of national exploration activities (issued by the Tanzania Development Petroleum Corporation, TDPC, which is the national development company), and production figures (issued by companies).

For the *revenue management chain*, most of the stories and articles failed to mention clearly what type of revenue accrued from the extractives they were reporting on, with the exception of cases in which the media quoted technical reports such as those by the Tanzania Extractive Industry Transparency Initiatives (TEITI), which break down these kinds of taxes and some official government reports. However, documentary sources are rarely used in extractive reporting. In fact, some of these documents are hard to come by as they are largely inaccessible to the media. Overall, there appears to be a gag or lack of transparency when it comes to detailing what could expose the actual profitability level of the extractive industry. So, the general representation of revenues accrued from extractives without breaking them down to tax types is one of the shortcomings, despite the existence of about 21 major taxes [5] in the extractive industry. In fact, this anomaly tends to short-change the government and the public as to what the nation ought to earn from the extractive industry, which the local media largely fail to expose due to their heavy reliance on official and company hand-outs.

Taking a back seat: Covering less on decision to extract and value enhancement chains

For journalists to generate good stories, they need to look at the value chain as a guideline for reporting on extractive stories. Failure to understand a preceding chain complicates the reporting of the next chain. In other words, for a journalist to write a good extractive story, he or she must shuttle between the value chains and link the components of the whole value chain. Indeed, stories on chain 2 *(extraction)* and chain 4 *(revenue management)* must be written with a full understanding of the value chain 1 (decision to extract) and value chain 3 (value enhancement). The maxim is: Better extraction results from proper decision-making geared towards fostering extraction in addition to stipulating the amount of revenue generated and its management, whose background information comes from preceding chains. If the extracted resource values are enhanced, there is more revenue, and vice versa.

Chart 6: *Coverage of extractive value chains*



Way Forward

This chapter discusses the print media coverage of the extractive industry using the industry value chain approach. It shows the general and specific reporting of the industry and identifies the major holes that need plugging. With these holes and other challenges in mind, the following practical tips [6] are recommended with a view to improving the quality of extractive reporting not only in Tanzania but also other African countries where resources extraction is taking place. These tips include:

1. **Ideation should centre on and around the value chain:** Ideation—a systematic process of generating story ideas—should consider the functionality of the value chain. This means that journalists and media houses should make it a habit to report on issues across the value chain. All the chains must be covered without prioritising just one chain at the expense of the other chains.

2. **Pay attention to mother chain(s):** Though all the chains are important, journalists and media houses must know which chain is significant for their reportage at a particular time. In other words, they should understand what the mother chain is and put their reporting weight behind it. Looking at the value chain, chain 1 (decision to extract) seems to be the mother chain as it is where significant decisions regarding extractions are made. It is at this stage that political consensus is built, policy and legal choices are made, national participation is spearheaded, strategic environmental assessment is conducted, regulatory institutions are established, and public expectations are managed. These are key issues in the extractive industry, and if they are not handled appropriately, they may lead to the much-maligned *resources curse*, or what Juan Pablo Pérez Alfonso, a founder of the Organisation of Petroleum Exporting Countries (OPEC), called "devil's excrement" in 1975. Key questions to be asked while reporting on this chain include:

    - Is there a political consensus in the country?
    - Are policy and legal frameworks favourable for the country, as opposed to the government?
    - Who is involved in developing the regulatory framework? Are they nationals or foreigners? If foreigners, who contracted them? Who is paying them?
    - How are transparency and accountability guaranteed in the regulatory framework?
    - Do we have capable human resources? Are they available locally, or can they be sourced internationally? How do we tap into the human resources of nationals working abroad in a similar field?
    - Have there been enough consultations with various stakeholders?

- Are the public informed? Are they informed adequately? Is there a communication strategy in place to facilitate public information?
- Are public expectations managed?
- Are there companies already exploring despite the absence of a regulatory framework? What are their terms of operation? Who authorised the operations?
- Are environmental impact assessments conducted? Who conducted the assessments? What track record do they have? How down-to-earth are the impact assessment reports?

3. **Referral chain's reporting:** Always go back to the other chain. When reporting, for example, on the revenue generated from Tanzanite, try to link the generated revenues with the level of value addition. Ask yourself this question: Is the revenue from raw Tanzanite or value enhanced from Tanzanite? Likewise, when covering contracting under the extraction chain, check whether the contracts signed are in line with the policy and regulatory framework agreed upon in value chain 1 *(decision to extract)*.

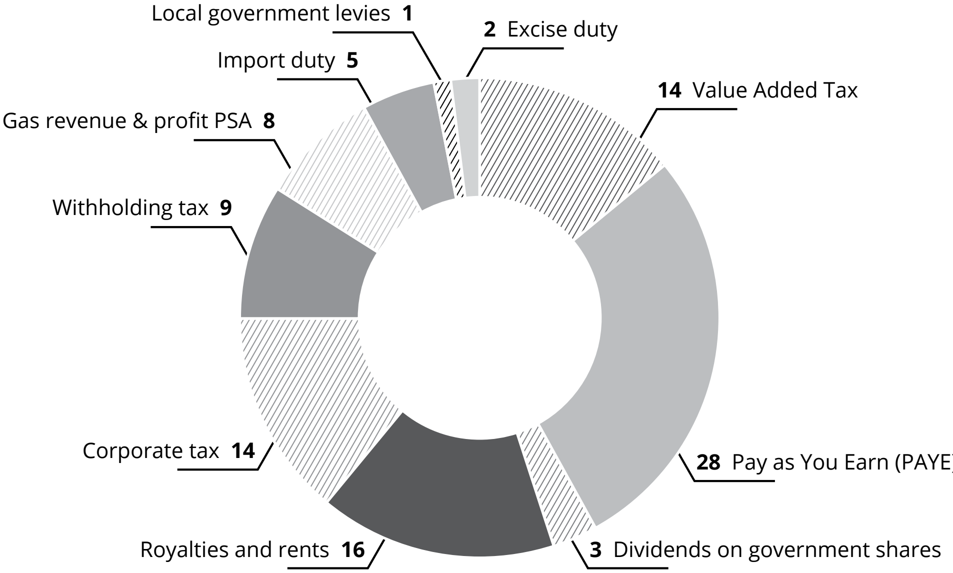
4. **Extract and weight source of revenues:** Depending on the respective country to country contexts, revenues from extractives are derived from various sources. It is, therefore, the journalists' responsibility to understand the sources and analyse them accordingly with a view to establishing the extract revenue accruing from extraction. Below is a hypothetical example of tax categories from the natural gas sector. Look at the tax categories and think of possible story ideas.

What have you spotted in the figure? What possible story ideas do you see? One of the interesting revelations from this chart is this: Employees—through PAYE—are the main contributors of taxes. Thus, the vexing question is: Why is the corporate tax share so low? Is this okay? Is this healthy? These are some of the questions needing urgent answers.

Final note

Studies [7] on extractive reporting in Africa have outlined several challenges that journalists have to contend with on the continent and that, in one way or another, have a bearing on how they report on the industry. They include poor pay, lack of access to information, pressure from government or business, lack

Chart 7: *Hypothetical examples of tax categories*



of technology, lack of skills, and lack of industry knowledge. Although I totally concur with the list above, I consider a lack of industry knowledge as one of the major challenges for effective extractive reporting. This, in my opinion, best explains the quality of the stories published in our newspapers. Journalists, as Paul Hemp [8] noted, are communicators and have an obligation to communicate with their readers. If they do not understand what they are communicating, nor will their readers.

Efforts must, therefore, be directed towards training and mentoring journalists and editors with a special focus on journalists working with media houses that operate near the extractive sites, and whose staple is coverage of those areas. Journalism training institutions should also include extractive reporting in their curricula so that student-journalists are equipped with the requisite skills to cover extraction-related stories, and to know not only how to report on these issues, but also how not to report on them.

The issue here is either we opt to sit and watch our resources being extracted and depleted to exhaustion, or we invest in the training and mentorship of journalists so that they become better watchdogs. This proactive approach has the potential to boost transparency and accountability among the industry's actors, and hence to ensure that the benefits of the industry accrue fairly. There is a Kiswahili adage, *"haba na haba hujaza kibaba"*, which literally means "persistent effort helps to complete a task". Indeed, this requires persistent effort, and with that effort and commitment, our reporting will surely change.

Annexe

Media Landscape in Tanzania

(extracted from the Yearbook on Media Quality in Tanzania 2018)

The history of media in Tanzania dates back to 1888 when *Msimulizi (The Storyteller)* newspaper was established in Zanzibar (Sturmer, 1998). During the colonial period, several outlets were established. Some of these outlets were nationalised [9] after independence and became an integral part of the state machinery.

The liberalisation of the media towards the end of the 1980s also marked the beginning of the mushrooming of media outlets in the country. The *Business Times* newspaper (the first weekly) was published in 1988; *Majira* (the first daily) hit the newsstands in 1993; *Radio One* (the first private radio station) started broadcasting in 1994; and *Coastal Television Network (CTN)* (the first television station) went on air in 1994 (ibid.). These marked developments in the 1980s and 1990s unfolded as changes continued sweeping the country. It is significant to note that the first television (colour) station in Tanzania was established in Zanzibar in 1974 although its reach remained largely limited. Currently, there are 156 radio stations (up from 86 in 2012), 48 TV stations (up from 46 in 2012) [10], and 216 newspapers and magazines on Tanzania Mainland.[11]

By 2016, there were 25 radio stations and 12 TV stations in Zanzibar. In 2016, the Zanzibar Broadcasting Commission received three applications for new radio stations; however, the applications were not processed for lack of frequency spectrum. Zanzibar, which was allocated only 25 MHz by the International Telecommunication Union (ITU), had already utilised all of them. As a result, new radio applicants in Zanzibar have been advised to channel their transmission through multiplex operators who can provide them with a frequency.[12]

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Endnotes

1 *Geological Survey of Tanzania* (2007), and *Tanzania Mining Industry Investor's Guide* (2015)

2 The four indicators are among the quality criteria approved by a media panel to assess reporting quality in Tanzania in 2017 and 2018.

3 The drawing is the author's own creation

4 The author of this chapter co-authored the report with Christoph Spurk of Bern, Switzerland.

5 These include corporate tax, withholding taxes (management fees and dividends), PAYE, a skills and development levy, value-added tax (VAT), excise duty, import duty, stamp duty, fuel levy, protected gas revenue, additional gas revenues, profit per production sharing agreements (PSAs), licences, permit fees, application fees, training, and annual rental fees, signature bonus, production bonus, royalties, dividends on Government shares, revenues from the sale of Government shares, local levies and contributions to the social security fund.

6 These proposed tips are for extractive reporting. As extracting reporting is part of business and economics reporting, it is advised that you read these tips together with Paul Hemp's 'Ten Practical Tips for Business and Economics Reporting in Developing Economies.'

7 Include 'There will be Ink: A study of journalism training and the extractive industries in Nigeria, Ghana and Uganda'

8 Authored "Ten Practical Tips for Business and Economic Reporting in Developing Economies" (see references)

9 These include *Sauti ya Unguja* which was renamed *Sauti ya Tanzania Zanzibar (STZ)*, *Tanganyika Broadcasting Corporation (TBC)* which morphed into *Radio Tanzania - Dar es Salaam (RTD)*, etc.

10 TCRA Quarterly Communication Statistics, July - September 2018

11 http://www.maelezo.go.tz/

12 MCT *State of the Media* in Tanzania 2016

4

Nixon K. Kariithi,
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Reporting the National Budget[1]

The national budget is an evergreen news story. At any one time, and in any country, budget issues are a newsworthy topic with the potential to generate significant audience interest and influence. Regardless of whether a reporter interviews health officials about late delivery of medicines to a government hospital, or writes a story about the handling of agricultural produce or a region's performance in national examinations, aspects of the national budget have a bearing on these issues dealing with the ebb and flow of life in communities and society in general.

Reporting on the national budget requires reporters to go beyond the actual budget day speech and accompanying documents. Reporters need to focus on the extensive processes involved in the lead up to budget day, and the myriad issues that emerge during the subsequent processes of budget implementation. In a sense, the current focus by African reporters on budget day issues could amount to an obfuscation of the real story about how government officials allocate scarce public funds to meet growing national needs, and the degree of efficiency with which the funds are disbursed and utilised for the public good.

Yet reporting on the national budget is about reporting on the national economy. The annual government budget is intrinsically linked to successes, failures, changes and challenges experienced in the broad national economy. Such outcomes may result from policies, decisions and activities made during the previous year or over a longer period. More interesting, the outcomes may be rooted in internal (within-country) factors, or external actions and circumstances. For example, government policy may endeavour to promote small-scale agricultural activity to create employment and increase incomes among rural communities. While the national budget may include some provision to support such a policy, severe or prolonged drought during the year under review could become the most significant factor affecting agricultural output.

African media should consider three critical approaches to reporting national budgets. The first approach pertains to an understanding of recent national economic data and trends. The national budget is a forecast of government expenses and revenue over a particular period, generally one year. It is therefore ineradicably linked to events and activities of recent periods. As such, regular reports on the performance of key productive sectors, on import and export issues, and on the servicing of government debt will provide a critical backdrop in coverage of the national budget.

The second approach relates to staying updated on the latest activities and developments in the public sector. Reporters should consistently cover new developments in the provision of public services in health, agriculture, education and other major sectors. Such activity — akin to a continuous audit of the government's expenditure activities — ensures that the media are aware of what previous budgetary allocations achieved. It is also here that reporters need to understand and interrogate the economy's efficiency in utilising national budget allocations and generating additional revenue that the government could in future dispense for use in meeting public needs. Economic events should never catch the media by surprise if this approach is vigorously applied. Concomitantly, reporters should easily identify and question any policy deviations in core economic activities and plans, thus ensuring consistency between the government's stated policies and observable government actions. In the *Economics Journalism Handbook*, Kariithi (2008) is critical of African media's failures to grasp their critical role in communicating national economic development issues:

> ***It is unfortunate that national budget processes have not received extensive media coverage in Africa. As pointed out numerously in this handbook, national economic policy needs to be discussed and debated in society as a general concern. To achieve this democratic objective, mass media must inform and educate their audiences on economics issues and developments afoot in the country. In addition, the media should provide realm for debates on these issues, their alternatives with a view to engendering popular participation in economic decision-making. Indeed, it must be said that media institutions that fail to involve their audiences in deliberating national economic policies do as much harm to***

> ***the African democracy project as those who purposely censor themselves at the behest of oppressive state apparatuses. Denying Africans the opportunity to understand, question and debate economic policies essentially curtails the people's understanding of local, regional and global factors that pertinently shape the continent's daily life. The national budget is one such instrument; given its reach and influence upon all citizens, it is imperative that African mass media report it scrupulously.***

Unlike the first two approaches, the third approach focuses on the ability of media organisations to deliver consistent messages to audiences. The need for media to avoid episodic reporting of critical economic issues cannot be overemphasised. Proactive, comprehensive and continuous reporting of national economic issues ensures optimal public understanding of the impact of such issues on everyday life. This approach demands that reporting on the national economy should be considered to be a core newsroom activity that is appropriately resourced, with the content thus generated being allocated sufficient space and time in broadcasts and news pages. The age-old challenge confronting newsrooms in Africa, namely, how to report economic issues and data in interesting ways, emerges again as one of the most critical factors in ensuring effective communication of government activity and national budget issues.

In *Budget Writing Tips for Reporters*, Michael Arkus argues that, although journalists often see budget reporting as "less sexy" than other assignments such as war, disaster and catastrophe, nothing is more fundamentally important:

> ***The budget provides the fuel the money on which all else runs. It sets out a government's policy priorities in the social, economic and military sectors. Given this central role, it is clear that it will be the prime target of special interests both within the state bureaucracy and outside. The journalists' job is to shine a spotlight on all expenditures [and] revenue, [and] to provide as much transparency as possible. This will help [them] highlight, in their stories, what kinds of policies the government is pursuing. Ideally, a close look at the budget will help show whether government policies are favouring the rich or the poor and will highlight potential cases of corruption and mismanagement.***

Swaminathan Aiyar of India's *Economic Times* sums up the essence of a national budget from a media perspective:

> ***The national budget is not just a technical, financial document. It is an astonishingly powerful tool that impacts upon the livelihoods of ordinary citizens in a country and therefore could be a very useful tool for the media. Money in the budget does not belong to bureaucrats and politicians; it is the money of the people. How this money is raised and spent is of enormous importance to all citizens. The better this is reported and analysed, the more citizens are empowered and officials made accountable.***

Contrary to many African newsroom myths, national budgets are perennial sources of great people-stories. The fact that national budgets are replete with economic jargon and data only means that journalists need to work harder to get beyond these hurdles and to tell the important real-life stories lurking beneath. A journalist with a good "nose for news" recognises that the budget is an excellent source of news all year round. Michael Arkus's budget-writing tips provide a solution to this conundrum:

- ***You are a detective, a sleuth who is going to extract out of mind-numbing columns of numbers facts that affect individuals on the ground. This involves constant checking with sources of all shades of opinion — civil society groups, anti-poverty and other humanitarian organisations, chambers of commerce, business organisations and government officials themselves.***

- ***Budget figures are enormous, often too large for readers, listeners or viewers to take in. A vast jumble of astronomical figures will immediately bring down an iron curtain in their brains.***

- ***A good red-flag element is the budget's effect on all income sectors from the poorest to the wealthiest ... you are going to have much more impact when readers can identify by feeling the effect in their own pocket and compare it with other pockets. Who is better off because of the budget? Who is worse off?***

Planning and executing pre-budget coverage:

A good editorial strategy is necessary to pull off successful pre-budget coverage. Early pre-budget coverage should begin with a major review of the previous budget and its successes. Covering budgets, a background paper prepared by the Kenya Media Development Association raises critical questions to be explored in pre-budget news coverage:

- Were announced policies in the past budget implemented?
- Were promised projects like roads and hospitals built?
- Did different regions and sectors of the economy get the money they were promised?
- Were some areas specially favoured or discriminated against?
- Did the government observe financial discipline and stick to spending estimates? If not, which were the greatest transgressions?
- Did last year's budget actually achieve what the finance minister claimed it would?

These specific questions should be augmented with others based on a good knowledge of the economic situation prevailing in the past year, and the country's general economic and development policies:

- How did local and external economic factors affect the delivery of budget promises?
- How will these factors influence the local economy in the coming financial year? How will such influences be accommodated in the coming national budget?
- How did past and present development policies influence the last budget proposals? How will these development policies affect the coming national budget?
- Did other non-economic factors, such as national elections or natural events, influence the last budget proposals? Did such events interfere with the implementation of the budget proposals?
- To what extent will non-economic factors remain critical to the budget estimates? What lessons are available around the region and around the world for accommodating similar factors in the national budget? Why should our country succeed or not succeed in these endeavours? What must our audiences know regarding such successes or failures?

In planning your newsroom's pre-budget coverage, it is necessary to interview and get comments from leading economic organisations, commentators and market analysts, and other recognised economic experts. The articles emerging from these interviews should also draw knowledge and insights from media coverage of economic issues since the last national budget. As is always the case, such archival news contains rich detail and context regarding the successes and failures of government policies and projects. News archives will also capture details of the private sector's interactions with the government's development processes. These details might include a wide range of possible issues: new foreign investors, expanded factories or workforce, new export markets and trading partners, trade delegations to and from the country, rising or falling demand for certain products and services, etc.

Great pre-budget coverage captures the full picture of the economy during the past financial year, giving audiences a clear view of where the country is situated economically as it receives the new national budget. The rigorous research exercise detailed above is reproduced in broadcast programmes and print media articles in great colour and prose. Always remember that the average person is unlikely to enjoy reading or viewing abstract economics issues. As such, the challenge for African economics journalists is to package news in interesting and colourful styles.

One approach would be to focus on the budget's human impact and use average people affected by different policies as the main entry points for media coverage. For example, broadcast stories focusing on government's achievements in public health could use a rural anti-retroviral (ARV) project as the anchor, and run all other threads of the broader national health story from there. Similarly, an analysis of the education sector could be anchored around a 13-year-old boy who will soon be going to high school but who has to deal with the daily challenges that beset primary school education in many African countries. Where these examples are inapplicable, interviewing regular citizens (sometimes called vox pops) and using other traditional newsgathering techniques is recommended. The key here, and anywhere else in economics journalism, is to gather popular views and strategically re-present them in the media.

A critical element of the pre-budget coverage outlined here is the use of clear, accessible language and maintaining a strong human element in the reporting of the national budget. As Swaminathan Aiyar of India's *Economic Times* points out, media coverage of the national budget is a powerful way of empowering citizens and taxpayers. Given the technical and abstract nature of budget documents, and generally low levels of economic literacy among media consumers, language and human-interest are excellent helpers.

There are many human-interest approaches that journalists could apply here. The easiest, most common and probably most effective is the use of direct and indirect quotes. To develop colour in a media story, journalists should endeavour to get simple, human quotes that other people can easily relate to.

Examples of colour in pre-budget coverage

Manyinga Nyirenda, an economist at the Malawi Economic Justice Network, said:

> ***"It's perhaps easier to say what will not happen rather than what will."***

The government is known to be unhappy about the tax being paid by the life assurance industry, so there may be scope for some changes, analysts say. However, Julius Chimwemwe, a senior manager at Mwema Sithole Associates, believes there may be some respite for the industry for now:

> ***"With the poor performance of the stock market, I don't think the life assurance industry has been identified as a tax cow at moment."***

Analysts agree that, given that it is an election year, there will be some hesitation to make any sweeping changes and there should be few nasty surprises for the taxpayer:

> ***"It will be a popular budget, especially in so far as the lower income earners are concerned. I doubt the minister will rock the boat in an election year," said Collins Magalasi, a senior partner at Chirwa Chikondi and Associates accounting firm in Lilongwe.***

Dorothy Mkandawire, a tax partner at KPMG Malawi, believes that a clearer definition of interest rate policy might be outlined:

> ***"The economy is floundering and businesses are battling to survive. Gondwe may use the budget as an opportunity to clarify government policy in terms of interest rates," she said.***

Dr John Mariko, Senior Economics Lecturer at Bunda College, said:

> ***"I think government will tinker with a number of the issues, but I don't expect any sweeping changes." He said that government should move from a policy of "what is not allowed is forbidden, to what is not forbidden is allowed".***

Example:

> **Policy needed for the 'Net**
>
> The forthcoming budget should include some policy directive on the taxation of Internet trading companies, especially given the ease with which these companies could transact from outside SA, says Charles de Wet, Pricewaterhouse Coopers director of tax services.
>
> De Wet said after a media briefing that the increase in the number of SA companies specialising in electronic commerce warranted some form of policy statement from the local tax authorities.
>
> "It is very simple for a company that sells to customers over the Internet simply to move its server from SA to a tax-free jurisdiction and thus free itself from paying taxes to the SA authorities — a situation which arises because of SA's source-based tax system."

Newsroom strategies for budget day coverage

Preparation for the coverage of budget day should start well before the event. In some developing countries like India, newspapers start their preparation two months in advance. According to Swaminathan Aiyar, budget coverage can be broken down into seven strategic steps: review the past year, emerging historical trends, people's expectations, sources of revenue and expenditure, influence of foreign aid and loans, and winners and losers from the budget.

Planning for the day's coverage should be done well in advance, with essential appointments secured with businesspeople, donor agencies, experts and NGO officials. Critical data should also be gathered, for example, consumer price index (inflation) and trade statistics. For television and radio, it may also be necessary to conduct archival searches for file material on major sectors such as agriculture, mining, and manufacturing. These preparations are useful in reducing turn-around time in the newsroom. Planning should give a clear allocation of specific assignments to all reporters involved in covering this major news story. Editors and editorial managers should also provide contingencies for late reports or comments. Fresh photographs of all sources to be interviewed need to be taken shortly before the budget day itself, or at the interview during or after the budget. Many dignitaries and potential news sources for the budget story often attend the actual budget ceremony and may be available for brief interviews after the official budget presentation.

However, good reporters should have the telephone numbers for all their interviewees in the event of difficulties experienced with interviewing them at the budget ceremony venue (often the buildings of Parliament) due to protocol or security issues.

The best strategy for covering the budget story is one that employs a division of labour and endeavours to capture the broadest range of voices. In many instances, the budget assignment will easily overwhelm staff working at the media organisation's business or economics news desks. Given the general nature of some budget elements — for example, increased allocations to education and health sectors, funds for a new airport, etc. — general reporters should be invited to join the team and be briefed appropriately. The general reporters should handle general stories emanating from the budget speech, or gather feedback from representatives of key organisations. More seasoned business and economics reporters cover advanced issues such as taxation changes, economic policies enunciated in the budget documents, financing the budget, and issues relating to a budget deficit. The supervising editor for this major assignment — often the business or economics editor — will eventually write the lead article which ordinarily should capture the essence of the year's national budget, as well as snapshots of the main issues covered in separate stories. This generally applies to both print and electronic media. The lead item also captures the colour and context of the event: the mood at the presentation of the budget speech, and general responses from critical quarters such as opposition parties, key NGOs, and the donor community. For print media, circulation sales of the budget edition are often among the highest of the year, so plans need to be made for the printing of additional copies.

An important point to remember when approaching the national budget assignment is that much of its contents, debates, players, and language are technical. The onus is then on journalists to explain the issues in simple language that ordinary audiences will find accessible. More interestingly, most national budget documents are exclusively data tables and numbers indicating allocations for each "line item". Here again, it is critical that journalists employ strategies such as those discussed in the next chapter to demystify statistics and to turn numbers into stories.

The rigour being advocated here reflects the critical need for all people, especially ordinary citizens, to comprehend budget processes and outcomes. As Isaac Shapiro notes in *A Guide to Budget Work for NGOs*, published by the US-based Centre on Budget and Policy Priorities, the budget is easily the most important economic policy instrument for governments:

> ***It reflects a government's social and economic policy priorities more than any other document, translating policies, political commitments, and goals into decisions on where funds should be spent and how funds should be collected. A well-functioning budget system is vital to the formulation of sustainable fiscal policy and facilitates economic growth. In many countries, economic problems are exacerbated by weak budget systems and faulty budget choices.***

Shapiro continues:

> ***While a government's budget directly or indirectly affects the life of all its citizens, frequently people with modest means are influenced the most. They tend to be harmed the most by weak economic growth or high inflation. The current well-being of those with low incomes, and their future prospects, also can hinge on expenditure decisions in areas such as health and education. Yet budget cuts tend to fall on programs that benefit the poor, as other items such as interest on the debt or the public-sector wage bill are more likely to have first claim on scarce funds. Moreover, even when funds have been allocated to antipoverty programs, weak expenditure and program management — and the lack of political power among the poor — can mean that the money never reaches the intended beneficiaries.***

Post-budget coverage

The national budget provides the demarcation points between two successive fiscal years. Contrary to regular practice, media coverage should not die off after the budget speech and parliamentary deliberations. Journalists should report on budget issues throughout the year. They should keep track of a variety of issues, including the extent to which government ministries and other public agencies are delivering on budget promises, the performance of revenue-generating activities, the success of policies enacted in the budget statement, the initiation of new policies for presentation at the next budget, and so on. Swaminathan Aiyar lists the following areas as possible sources of news stories on the national budget:

- Are tax revenues, foreign aid and other sources of government income on target? If not, why not?
- Is government spending on target? Which areas are getting more than allocated and which less? What reasons do officials offer for departing from budget estimates?
- Which programs and projects are getting implemented on schedule, and which not? Why not?
- Are new policies announced in the budget speech being implemented?
- What is happening to GNP growth, prices, employment, foreign trade, and major economic sectors? To what extent is the budget responsible for progress or failure?

Aiyar warns that tracking budget stories can be difficult, primarily because government information is not always available. However, he reminds journalists that the executive branch of government is not the only source of information. He adds:

> ***Increasingly, parliaments exercise oversight and gather considerable data on government spending. Other sources include international agencies like the World Bank; businessmen and merchant bankers; experts in various fields, including academics; ex-bureaucrats and opposition politicians; foreign embassies and aid missions.***

The ultimate sourcing of news data remains up to an individual journalist's own initiative and actions. Journalists should endeavour to get out and see what budget-engineered changes are occurring among communities and across the country. If the budget promised a new health clinic or new school buildings, they can easily confirm for themselves whether any of these developments are actually happening. One interesting strategy would be to use such milestones as 100 days since the budget, the half-year mark, and so on, to go out and explore whether budget promises are being met. Stories emerging from such investigations would highlight delays, changes in original plans, irregularities in tender processes, civic participation in the new development processes, and so on. As Aiyar argues, such reporting is simple, yet can be very effective in highlighting gaps between promises and performance.

> ***It educates readers on which parts of the government are working well and which not. Such knowledge is public empowerment. It enables citizens to press for action in the worst areas, to give electoral approval to those who perform best and penalise those who perform worst. In this manner, it improves accountability and the quality of governance.***

Contrary to widespread belief, the national budget is as much a political tool as it is a tool for economic policymaking. As ODI's *What's behind the Budget* points out, once approved by the legislature, the national budget authorises the government to raise revenues, incur debts and effect expenditure in order to achieve certain goals. The ODI handbook lays down a philosophical premise for the media scrutiny and interrogation of national budget processes:

- In order to understand the budget process, it is necessary to understand the accompanying processes of policy and planning.

- The process of allocation of resources to different institutions and purposes is essentially a political, rather than a purely technocratic one. Any attempt to address the content of budget allocation without looking at the political process is therefore unlikely to be helpful.

- The problem of budget allocation (how resources are divided) cannot be abstracted from macroeconomic and revenue issues (which determine the size of the overall resource envelope) and efficiency or effectiveness in the use of funds. A holistic understanding of public expenditure systems and the institutional cultures that condition them is important in order to formulate strategies for change and improvement.

- It should never be automatically assumed that allocations translate accurately into spending. What money actually gets spent by whom, on what items and for what purpose is often determined during the process of budget execution.

Since the budget determines the origin and application of public financial resources, it plays a central role in the process of government, fulfilling economic, political, social, legal and administrative functions.

Understanding budget concepts and operations

Models of budgets:

- Zero-based model: Which assumes that every year, budgeting has to start from scratch. All activities in such a budget are planned and put into the budget regardless of what was implemented in the previous year.

- Incremental model: This model takes on board almost all the activities that were implemented in the previous year and increases or reduces the budget estimates by agreed margins.

- Rational model: This model considers the activities of the previous year as a starting point, phases out some of those activities and adds new activities as necessary. Malawi tends to use the rational model.

Stakeholders in the budget

There are many stakeholders in the budget and budget process. These include the cabinet; Parliament and parliamentary committees; National Treasury; Ministry of Economic Planning & Development; Auditor General; line ministries and departments; Reserve Bank or Central Bank; National Statistics Office; civil society organisations; the mass media; citizens; the donor community; Receiver of Revenue (tax authorities); parastatals and other public enterprises; anti-corruption entities; commercial banks; political parties; etc. The intensity of their interest in the national budget varies from country to country and from year to year.

Main national budget documents

The budget statement is the budget speech presented by the minister of Finance. It usually covers the outlook of the world economy; the performance of the national economy over the past year; government's economic blueprint for the coming financial year; guiding principles for the budget being presented; the budget framework for projected revenue and allocations; expenditure control measures; and tax policy measures.

The annual economic report is a detailed presentation of the global economic outlook and the sector-by-sector analysis of Malawi's economy over the past year. The report is a melting pot of news stories and analysis, especially because it details prospects and challenges for all economic activity as well as policy developments within the various sectors. Economic experts often use the annual economic report as a basis for justifying new budgetary decisions.

The financial statement is a comprehensive summary of projected revenues and expenditure allocations. In other words, it is an income and expenditure account. The primary elements are how much was raised during the past financial year (from tax and non-tax sources, and donors), and how much was spent on recurrent costs such as wages and salaries, interest payments, and development costs such as infrastructural projects. In addition, the financial statement offers detailed summaries on government operations, projected revenues and expenditures and projected deficits. The finer details include recurrent and development expenditure by vote.

The draft estimates of expenditure on the recurrent and capital accounts are output-based and provide three elements: an overview of the budget estimates, a budget framework, and estimates of expenditure by vote. The overview of the budget estimates provides essential highlights of the budget (general performance and performance on Protected Pro-poor Expenditures, PPEs, as well as highlights of the new budget's framework, for example, links to the related policy strategies). The budget framework mainly comprises projected resources and the macroeconomic environment, and a summary of allocations by vote. The estimates of expenditures by vote contain fine details of the ministry receiving the vote, including the controlling officer.

The last two documents of the national budget are the draft estimates of expenditure on the recurrent and capital accounts (detailed estimates), and supplementary estimates of expenditure on recurrent and capital accounts (by cost centre). Essentially, journalists interested in finding minute details of government expenditure (for example, costs associated with a new health clinic in a remote rural area) would find all details in these two documents. Care is needed as much of the content is monotonous tables and figures that may be confusing.

Major phases in the budget cycle

The Malawi national budget cycle passes through five major phases, namely, preparation and formulation; approval and enactment; implementation and execution; monitoring and evaluation; and audit and review.

Budget formulation

Between November and December, government ministries and departments informally instruct cost centres to prepare their budgets. In turn, cost centres instruct various institutions to submit their funding requirements. Formulation starts formally between January and March, with the Ministry of Finance (MOF) advising government ministries and departments to start preparing their budgets. Ideally, Treasury is supposed to issue ceilings at this stage, but usually it does not. Between April and June, a number of important activities take place. The National Treasury releases budget ceilings, and cost centre budgets are consolidated into ministry budgets. Line ministries submit budgets to the MOF, and are invited to budget hearings where they get the opportunity to defend their budgets. Usually ministries are asked to make revisions after the budget hearings. Thereafter, the MOF holds pre-budget consultations to get inputs from "other" stakeholders; these include the NGO sector, the donor community and other major organisations. The individual ministry budgets are then aggregated into one national budget. The draft national budget is presented to the cabinet for executive approval before being submitted to Parliament.

Budget approval

Budget approval should ideally be done in June because the government's financial year begins on 1 July. The approval process begins with the minister of finance presenting the budget statement and other related documents before Parliament. Parliament is given time to scrutinise the budget and debate the budget documents, in a process led by opposition legislators and the national assembly's Budget and Finance Committee. On completion of the budget debate, the minister of finance may be required to make changes to the national budget documents and allocations. The minister thereafter presents an Appropriations Bill which contains a schedule with a summary of expenditure allocations to each ministry vote. The MPs vote on the bill, vote by vote (ministry by ministry). If approved, the President assents to the bill for it to be enacted.

Budget implementation

The implementation process follows the cash budget system. The central principle is that no ministry should buy goods and services on credit. The ministry of finance asks line ministries to submit monthly cashflow projections. Thereafter, it issues disbursement schedules to all ministries based on its own projected revenue inflows. The ministry then disburses funds to cost centres by issuing credit control authorities (CCAs) to commercial banks. Cost centres may withdraw funds from their accounts or make purchases by writing cheques as long as they stay within the credit ceiling.

Budget monitoring and evaluation

To ensure implementation, the ministry of finance requires line ministries to submit monthly expenditure returns and commitment reports. Ministries that fail to submit their reports by the 10th day of the month deadline do not get their full funding requirements for that month. The finance ministry also submits a monthly report on performance to the cabinet. It uses the reports submitted by the line ministries to compile quarterly expenditure reports. At the end of each financial year, the budget is evaluated at the end of the year to establish how line ministries performed with regard to keeping within the stated expenditure ceilings. Annual expenditure reports are published up to two years later, a tendency that often frustrates the monitoring and evaluation process. The monitoring and evaluation process is primarily driven by the Budget and Finance Committee, and includes a number of civil society organisations.

Budget audit and review

The office of the Auditor-General carries out budget audits, primarily to ensure that set rules and regulations were followed during the implementation process. A number of Auditor-General procedures have revealed weaknesses and loopholes in the budget system, creating opportunities for fraud. For this reason, legislation governing the budget process should be regularly reviewed and updated.

Suggestions for improvement

- Budget formulation should be more participatory. Legislators, local government officials, grassroots leaders, and leaders of civil society organisations should be involved in submitting inputs at the beginning of the process, and throughout the entire pre-budget consultative process. Such a proposal essentially involves creating a system under which all budget stakeholders interact with technocrats who formulate the budget at the lowest institutional levels.

- Watchdog institutions should be more involved in scrutinising the budget before it is approved in Parliament. Although Parliament has in past years tried to press for budget revisions, it has consistently been unable to effectively scrutinise the budget.

- All aspects of concern in the draft budget should be widely publicised.
- Such a provision would require the Budget and Finance Committee to be more accountable and make its pre-budget and budget reports public.
- Budget monitoring and evaluation should also examine the progress made in implementing expenditure control measures.
- All government departments and agencies should strictly adhere to the provisions of the Public Finance Management Act; officials failing to comply should be punished.

Revenue aspects of the national budget

Revenue refers to the total money the government intends to raise in a given financial year through tax and non-tax measures. Government sources of revenue include domestic revenue (taxes and non-tax revenue, loans), and external revenue (mainly grants and loans). Note that every budgetary action has some economic effects. For example, tax, expenditure and public debt operations affect the level and distribution of national income and also affect employment.

Taxes restrain consumption, and thereby transfer resources from private consumption to government revenue. They also influence incentives to save and invest. On the other hand, they improve the ability of the state to make public investments and modify the pattern of investment. Taxes are also used to modify inequalities of wealth and income.

Sources of revenue

Direct and indirect taxes

Direct taxes are those whose burden is directly borne by individuals or corporations; hence they pay the taxes directly to the government. Personal income tax such as pay-as-you-earn (PAYE) is charged on the income of individuals, while corporate tax is levied on the profits of public and private companies. Personal income tax is an important component of total taxes since it affects what is called the disposable income of the taxpayer. Personal taxes affect individual consumption and saving behaviour. Direct taxes on firms, such as corporate taxes and exercise duties, influence production, sales and profits.

Indirect taxes are levied on production and consumption activities and are borne by traders, industry and the consumers who purchase from them. The burden of tax is passed on to consumers. Typical examples here include value-added tax (VAT) and the road maintenance levy. Indirect taxes affect the consumption of both domestic and imported goods.

User charges (also called "appropriations-in-aid")

Like private entities, government ministries often charge fees for a variety of their activities, such as processing business licences, motor-vehicle licences, etc. These are targeted charges and citizens who do not consume this category of public goods or services do not have to pay charges. Revenues accruing in these ways are usually deducted from the total approved allocations to that ministry for that year, hence the name "appropriations-in-aid" which aid the government to meet the entire budget estimates for a specific ministry.

Domestic and external borrowing

Typical domestic sources of funds include the sale of government bonds and treasury bills on local financial markets. External sources include loans from foreign commercial banks, multilateral financial institutions (such as the International Monetary Fund and the World Bank), and foreign governments. Loans from foreign commercial banks are expensive and generally avoided. Loans from multilateral financial institutions are generally on such concessionary terms as lower interest rates and longer maturity periods.

Generally, governments borrow to finance planned or unplanned deficits. A planned deficit occurs when the spending is known at the planning stage. An unplanned deficit occurs when there is over-expenditure either due to an imperative reality (revenues did not materialise, unforeseen circumstances) or simply because of fiscal indiscipline. It could also arise from cash flow problems such as when the level of funds mobilised at a given time falls short of expenditure needs.

The use of foreign loans involves the payment of interest and repayment of the principal sum. Both require the transfer of financial resources outside the country. This transfer — called servicing of foreign government debt — may present budget problems. First, the government must provide the local currency equivalent of debt service payments. This could mean fewer funds will be available for other local uses. Second, the country must have enough foreign exchange reserves to convert the local currency into foreign currency before sending the money abroad. Uncontrolled government borrowing could lead to higher interest rates and the "crowding-out" of private investment.

Grants

These are non-repayable, non-returnable payments from a donor country or institution to a recipient country. Numerous governments (for example, Japan) prefer to give commodity aid (particular goods) instead of actual money. Often, foreign aid comes with "conditionality" or "strings attached". This means that the aid assistance may reflect the priorities of donors more than those of the recipient government. That is why budgets often reflect donor influences.

Dividends from public corporations

This is primarily dividends from parastatals or quasi-government enterprises. Note that, when such institutions fail to operate profitably, they drain public resources and become candidates for privatisation. Governments also receive revenue from treasury funds, and service providers such as government stores.

Types of government expenditure

A useful approach to understanding government expenditure is to think of the preceding processes: is the item or activity derived from executive instructions (not subject to a parliamentary vote) or is it approved through a vote in parliament? Statutory expenditure is expenditure that is appropriated and charged to the Consolidated Fund. As such, it is not subject to the vote of the national assembly but subject to the Constitution or another law. Typical examples of statutory expenditure include the Presidency, public debt charges (including interest, debt repayment, debt commitment fees), pensions and gratuities, and penalties and compensations (for example, loss of office or judgement debts).

Most budget expenditure is, however, voted expenditure, meaning that appropriation of these funds is first sought through the national assembly. There are two types of voted expenditure: recurrent expenditure and development expenditure. Recurrent expenditure covers items for provision of goods and services to the public and maintenance of capital items. It is typically divided into personal emoluments (salaries and other allowances paid to civil servants) and other recurrent transactions (operational costs such as for travelling and accommodation, telephone, and electricity and water bills incurred by government ministries and departments).

Development expenditure, unlike recurrent expenditure, relates to costs incurred by the government in order to provide long-term public goods or investments (capital formation). In general, the development expenditure items as reflected in this part of the budget include the construction of roads, schools, airports and hospitals; the construction of buildings for both residential and office purposes; the purchase of durable equipment such as power generators and telecommunications equipment; the establishment of water and sewerage treatment plants; expenditure on national stadiums or historical monuments; and expenditure on training.

Example:

Botswana's government spending to rise 13.6pct this year - budget

GABORONE, 1 Feb, 2018 (Reuters) - Botswana will spend P63.3 billion in the fiscal year beginning April 2018, a 13.5% rise in government expenditure from the previous year, a budget bill seen by Reuters on Thursday showed.

A total of P45 billion has been earmarked for recurrent expenditure with education, health, defence and security taking the lion's share, according to the bill, which is due to be presented to parliament on Monday.

Around 30% of the budget, or P19.3 billion, will be allocated to capital expenditure, up from 16% in the 2017/18 fiscal year.

"It appears to be a big jump in expenditure. The good thing is most of the increase looks to be allocated for development projects," economist Keith Jefferis told Reuters.

The spending figure excludes statutory expenditure, such as public debt and pensions payments, which are approved under a separate law. Statutory expenditure stood at P6.98 billion in the 2017/18 financial year.

According to a budget planning paper released by the finance ministry last October, the deficit is seen widening to P8 billion in the 2018/2019 fiscal year leading to cumulative budget gap of P15 billion by 2020.

Budget implementation issues

The budget implementation committee comprises representatives of the National Treasury and the office of the Accountant-General. The committee oversees all aspects of budget implementation. Yet, as much as there are stringent checks to ensure efficient budget formulation and implementation, national budgets regularly deviate from planned expenditure for a variety of reasons. These include a lack of realistic budgeted expenditures, emergency expenditures, and a failure to properly enforce budgets. National budgets are also constantly complicated by high inflation, exchange rate volatility, fluctuations in donor aid assistance, and delays in donor disbursements.

In the event of unexpected changes, the ministry of finance and other stakeholders in the Treasury cluster prepare supplementary budgets. These relate to additional expenditure that the government has already incurred or intends to incur over and above the approved budget. Treasury cannot authorise an increase in the total provision for any vote unless supplementary estimates have been prepared and presented to the national assembly for approval. A provision for any excess expenditure at the end of the financial year (including unsettled commitments and arrears) is made in the Supplementary Appropriation Bill to permit the excess to be charged against a vote only after consideration by the Public Affairs Committee of Parliament and approval by the minister of finance.

National budget as a daily news story

Keeping national budget issues as daily news issues should a core function of any news organisation. Often, editorial teams appear, in their annual newsroom dockets, to treat budget issues as primarily centred on the annual presentation to the national assembly, and little else. The contrary is, however, true; since budget issues are perennial and a significant source of public debate when followed up effectively. The follow-ups generate the best public engagement when they raise questions left unanswered by the government's budget documents. Consider the following:

> **Budget allocation to agric falls short**
>
> Midweek Sun, Botswana
>
> February 12, 2018
>
> By Sun Reporter
>
> A Botswana Agricultural Marketing Board (BAMB) agronomist, Lambani Obuseng, says the P1.34 billion allocated to Agriculture in the 2018/19 National Budget is not enough to support the sector. Speaking at the FNB Budget Review Seminar, a day after Minister Kenneth Matambo's Budget

Speech, Obuseng said the P1.34 billion, which represents only three percent of the budget allocation is worrisome as it falls way short, if the sector is to grow to another level.

In his view, Botswana has veered off the resolutions of the 2003 Maputo African Union Summit that urged African countries to commit at least 10% of national budget allocations to support the agriculture sector.

“This is the sector that contributed 40% to the GDP at independence, but now only 2%. What went wrong?” Obuseng quizzed. He acknowledged that although there have been several agricultural programmes geared towards supporting the sector; there is need to first do thorough research before any policy formulation. “We might be coming up with programmes that are not what the country needs,” he said.

Among the operational challenges that hamper local output and exacerbate the dwindling performance of the sector, Obuseng cited the low adoption of technologies by farmers, stating that currently farmers use the simplest traditional methods of farming despite the vigorous changes in technology over the years.

…

He said Botswana needs to adopt and implement better ways of supporting the agriculture sector.

…

Among his recommendations is the adoption of precision agriculture that goes a long way in reducing waste using satellite maps, computers to match seeds and fertilisers. He also recommends the use of drones, which could aid with planning and strategy based on real time data gathering and processing.

…

In response to the budget allocation, General Manager of Clover Botswana, Mike Joyner said it is disappointing to realise that even though the SADC Integration Strategy identifies agro-processing as a potential money-spinner in the region, there has not been much effort to support the sector.

“I acknowledge that the private sector has a big role to play, but the 3% would not do much,” Joyner said, adding, “how much engagement is made before the final budget allocation?”

His view is that financiers are often apprehensive to release funds in subsectors like dairy, which are high risk and daunting.

Numerous questions emerge from the above article, including the adequacy of budget allocations, the link between current budget policy on agriculture and previously stated policy positions, and government's success or failure in promoting buy-in across. Underlying each of these questions are important issues — the extent to which the government includes or excludes other social players in its decision-making, the reasons for failure in policy implementation, and the role of the media in ensuring optimal policy success. By probing for answers to these questions, business reporters realise the budget challenges are often spread to multiple sectors of the national economy, and that the pleasantries that characterise budget day activities could often obfuscate more important concerns about the country's economic performance. In the case of the Botswana national budget, coverage after the February 2018 coverage reveals why it was necessary for reporters to examine the issue more closely:

P5 billion budget deficit for 2019/20

By Rearabilwe Ramaphane

Sunday Standard

24 September 2018

The 2019/20 financial year is expected to commence on a P5.11 billion budget deficit, [it] emerged at the Annual Budget [meeting] hosted by the Ministry of Finance and Economic Development in Gaborone this week.

The forecast budget deficit follows another one signalled by the treasury for the current financial year ending April 2019. The 2018/19 financial year commenced spending on a negative P4.5 billion behind proposed expenditures.

When deliberating on the Budget strategic paper, finance ministry economic experts explained that the deficit mirrors total projected revenue estimation of P61.28 billion against proposed expenditure stretch of 66.40 billion. Mineral revenue is projected to contribute the largest share of revenue at P21.09 billion accounting for 34.4%, followed by customs and exercise at P14.97 billion a 24.4% stake. Non-mineral income tax is the third largest revenue contributor.

It was noted that to contain the deficit and ensure government continues financing key and vital expenditures, the Treasury will explore borrowing

> opportunities from available domestic and external resources base globally. Domestic borrowing would entail issuance of government debt securities such as treasury bills and long-term government bonds.
>
> When officially opening the Pitso on Tuesday, Minister of Finance and Economic Development Kenneth Matambo told attendants, among others high ranking government officials, captains of industries and private sector heads that … trade related uncertainties between key global economies in China and United States spills over to developing economies like Botswana.
>
> …
>
> “Persistent budget deficit [is] not ideal; in pursuit of fiscal sustainability government is committed to controlling expenditure in the medium term, we have to achieve more with limited resources. We will continue coming up with deliberate ways of raising domestic revenues” he said.

The emergence of budget deficits as a concern, and the Botswana government’s acceptance that it needed to look for new ways to raise domestic revenue, were critical opportunities for the media to encourage a national conversation on the direction of the national economy. In many African economies, the lack of any comprehensive media coverage of national budgets denies citizens the opportunity to fully grasp how their respective economies are managed, and prevents them from proactively participating in the search for solutions. It is worth noting that the media failure to spur on national conversations around budget issues does not mean that the issues get resolved; the problems persist, as demonstrated by coverage of Botswana’s national budget a year later.

> **Botswana forecasts slower economic growth, deficit unchanged**
>
> February 4, 2019
>
> GABORONE (Reuters) - Botswana’s economy is expected to expand at a slower pace in 2019 compared with last year, Finance Minister Kenneth Matambo said on Monday.
>
> The diamond-producing southern African nation’s economy is projected to slow down, expanding by 4.2% in 2019 from 4.5% last year, Matambo said in his 2019 budget speech to parliament.
>
> The 2019 budget deficit is estimated at 3.5% of GDP, the same as 2018’s estimated shortfall, Matambo said.

"The slower economic growth means less revenues will be realised and this calls expenditure control for the country to remain on path fiscal sustainability," he said.

Some reports highlighted the government's warnings that the economy was heading into difficult times. While such highlights helped inform citizens about the country's economic situation, they offered only the government's own perspective on the rising budget deficit. They also relied on the budget speech document and did not reflect any additional information or independent perspectives regarding Botswana's economic downturn.

Sluggish activities weigh down on Bot's economic growth

Southern Times

By Mpho Tebele

11 February 2019

Gaborone - After recording positive growth last year, Botswana's economy looks sluggish heading into 2019, finance minister Kenneth Matambo warned this week.

Delivering his budget speech to Parliament, Matambo said the poor performance of the mineral sector and low collections of tax were to blame for reversing the country's economy to rebound from sluggish activities.

The minister said compared to the original budget of P3.59 billion, the revised budget forecast for 2018/2019 was a deficit of P6.96 billion, or -3.5% of GDP.

He said total expenditure and net lending for the 2019/20 financial year was estimated at P67.54 billion, while total revenue and grants were estimated at P60.20 billion.

Therefore, Matambo said due to forecast underperformance of the mineral and non-mineral income tax revenue items, total revenue and grants had been revised downwards by 12.6% to P58.23 billion.

He said total revenues and grants for the 2017/2018 financial year were at P56.41 billion, while total expenditure and net lending amounted to P58.39 billion, resulting in the overall deficit of P1.98 billion, or -1.1% of GDP.

> …
>
> Matambo said this negative budget outturn was due to lower tax collections during the year, adding that “efforts will, therefore, be intensified to ensure efficiency in the collection of tax revenues by Botswana Unified Revenue Service through continuous review of tax laws and leveraging on the use of Information and Communications Technology to enhance compliance”.
>
> He added that due to the continued underperformance of the development budget, total expenditure and net lending for 2018/2019 also showed a decrease of P2.68 billion in performance, from the original budget of P67.87 billion to P65.19 billion.

Conclusion

Effective media coverage ahead of the budget should have raised questions about the likelihood of lower tax revenue collection, over-spending or under-spending on certain government programmes, and the emerging matrix of options available in terms of the government’s national budget. This coverage should also have addressed issues such as rising or falling demands for government expenditure, and the options available to government planners for meeting these changing needs. It is also critical that media coverage interrogates the extent to which previous budgets met or failed to meet stated government policies, and then raise the question as to why a new budget was expected to do any better, especially given some stated significant challenges.

Two other issues deserve to be mentioned when reporting on the national budget, namely, dealing with the numbers, and highlighting the impact and relevance of the budget. Naturally, in any discussion about the national budget, there will be an emphasis on numbers. Yet this is only the case if a media organisation prioritises such a practice, as may be the case with content generated by Reuters and other business wire agencies. The reality for most African media outlets is that they too often fail to shift the focus from the numbers to underlying issues — which segments of public expenditure were driving the deficit? And, what government remedies worked or failed in the all-important task of controlling spending? Where the deficit was fuelled by under-collection, media reports would serve citizens well by focusing on those areas where government revenue targets were missed. Equally engaging are conversations about why government plans fail despite an extensive outlay of public resources to ensure success.

Highlighting the relevance and impact of a country's budget falls squarely within the core responsibility of media as a social institution. Readers, frustrated by official jargon, cannot be blamed for tuning out of news coverage, as audience research often shows they do. If national budgets are really about the delivery of social services to citizens, reporters should always endeavour to make the coverage as accessible and relevant to the public as possible. In addition, coverage should be continuous, creating an everyday story of government accountability for the provision of services to its citizens.

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Endnotes

1 This chapter updates and expands Kariithi's (2008) discussion of newsgathering and writing about national budget.

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Zakaria Tanko Musah,
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Media Coverage of Micro-finance in Ghana

Ghana: A brief political and economic history

In 1957, the Republic of Ghana became the first country in Sub-Saharan Africa to gain independence from British colonial rule. A situation that provided the impetus that arguably triggered the political wave that swept across the continent, leading to other African countries equally demanding independence, which by and large came to pass. The former British colony is heavily inundated with legacies of its colonial past, evidenced by its socio-political and economic structures. Despite its checkered political history, Ghana has successfully organised seven consecutive presidential and parliamentary elections, leading to successful transfers of power from one political party to the other in the 2000, 2008 and 2016 presidential elections.

Ghana is administratively divided until 2019, was divided into ten regions but has had the regions increased to 16 regions. These are divided into districts to function as decentralised units of the central government. For electoral purposes, the country is demarcated into 275 constituencies, each of which is represented by an elected member of parliament.

The Ghanaian economy is one of the fastest-growing and best-performing economies on the continent. The successful performance of the economy is a result of revenues accruing from investments in the new oil and gas sector, as well the strong performance of cocoa and gold exports into the world market. (FIC, 2013). The economy is a mixed one, allowing a friendly climate for both private business and state-regulated intervention to coexist. Relatively, there have been few policy restrictions on trade and investment. The economy also has a diverse and rich resource base that involves the exploitation and export of minerals such as gold, bauxite and oil. Agriculture accounts for about 20% of GDP and employs more than half of the workforce. Ghana has a relatively low standard of living with a per capita income of $4490 (World Bank, 2017) and an unemployment rate of 5.34%. Like many Third World countries, Ghana suffers from an unfavourable balance of trade and balance of payments, and this issue has featured prominently in the country's political debates over the years. The economy is forecasted to grow at 7.4%, being driven mainly by the industrial sector, especially oil, gas and mining.

Media landscape

The year 1992 represented a watershed moment for the Ghanaian media. After decades-long oppression and repression by government and its functionaries, the media was finally granted constitutional protection and legitimacy. Before the current constitutional dispensation, however, the media was no more than the product of whimsical decisions by the political leadership. In the name of 'enlisting' the media as an ally to national development efforts, it was subject to harsh and repressive laws such as the Newspaper Licensing Law (Karikari, 1994). This law granted state actors extensive, blanket powers to censure media content and instituted the acquisition of a license as a precondition to the establishment of the private press. Karikari (1994) avers that, although the degree of repression of and state interference in the media varied, it very much persisted in all the military and civilian regimes since independence, until 1992.

The situation took a dramatic turn following the promulgation of democratic constitutional practice in 1992. Articles 162-173 in Chapter 12 of the new constitution contained express provisions that guaranteed media freedom and independence, forbidding censorship in all its forms. Given the newfound favour with the law, the media landscape saw a boost in the number of private newspapers and radio and TV channels. For the constitution has not only criminalised censorship, but it also barred government interference whatsoever in the expression of editorial opinions and removed impediments to the establishment of media channels. Apart from the two State-owned newspapers and electronic channels (the *Daily Graphic*, *Ghanaian Times*, and Ghana Broadcasting Corporation), most media outlets are privately owned and funded.

The liberalisation of the airwaves, the result of the repeal of the criminal libel and sedition laws in 2001, by President Kufuor, was a welcome boost for the

Ghanaian media. This has allowed the media to freely produce and disseminate content, thereby departing from the culture of silence which had hitherto constrained their operations. The Ghanaian media is a free and pluralistic one (Afrobarometer, 2012). The landscape today teems with vibrant media outlets generating and disseminating content to their audiences. As at the Third Quarter of 2017, the total number of authorised and licensed TV stations in the country stood at 128, whereas that of radio outlets, as of June 2017, totalled 505. The print media industry has also been very active, despite the threat of growing online news cable networks. There are also over 15 newspaper publications in the country, with the *Daily Graphic*, *Daily Guide*, and the *Ghanaian Times* leading in circulation and readership.

Regulation of the Media in Ghana

The media in Ghana are not afforded absolute freedom by the law. Despite the latitude granted by the 1992 Constitution, this freedom can be curtailed and subject to broader interests of state security, social order and public morality. Media organisations are therefore expected to observe and maintain the highest professional standards in the production and distribution of content, failing which they expose themselves to legal challenges, including both criminal and civil suits.

The National Media Commission (NMC) is created by the constitution to give practical meaning to the freedom espoused in its provisions and to insulate the state-owned media from government control and interference. Among other things, the commission is mandated to:

1. Ensure the establishment and maintenance of the highest journalistic standards in the mass media, including investigation, mediation and settlement of complaints made against or by the press or other mass media.

2. Make regulations by constitutional instrument for the registration of newspapers and other publications, except that the regulations shall not provide for the exercise of any direction or control over the professional functions of a person engaged in the production of newspapers or other means of mass communication.

Media organisations have often resented the “sweeping powers” of the NMC and often sidestepped the NMC’s regulatory guidelines (Sumbu, 2013). It is these infractions that constitute the basis for much of the unprofessional conduct of the media.

Besides the express constitutional guidelines, there exists the Ghana Journalists Association (GJA) Code of Ethics, which exhorts media organisation to be ethical in their reportage. Established in August 1949, the GJA serves as the umbrella body that harmonises, promotes and protects the interests and wellbeing of journalists in the country. However, the violation of these ethical guidelines is unenforceable, for the precise reason that they are ethics, not laws. Nevertheless, it has been instrumental over the years, especially in terms of advocacy in safeguarding journalists and promoting their wellbeing.

The microfinance industry in Ghana

The concept of microfinance in Ghana is deeply embedded in the traditional and indigenous economic structure of most Ghanaian societies. The practice of taking loans from friends and family members, and wealthier members of society to start a trade, business or farming ventures is as old as the Ghanaian cultural society itself. In Northern Ghana, however, the first credit union was established by Canadian Catholic Missionaries to provide soft and flexible financial packages to farmers and petty traders. These efforts were vigorously complemented by the susu schemes, by which Ghana benefitted from Nigeria through cultural diffusion in the Twentieth Century. The microfinance sector has since thrived and evolved into a much more systematised one, owing to the vigorous pursuit of sound financial sector policies and programmes by past and current governments. As well as the fact that the sector diversifies and provides for financial inclusion, these interventions include:

(i) The provision in the 1950s of subsidised credits to low-income earning Ghanaians

(ii) Establishment of the Agricultural Development Bank in 1965 to attend to and oversee the specific financial needs of the fisheries and agricultural sector

(iii) Establishment of Rural and Community Banks and the promulgation of such regulations as those that require commercial banks to set aside 20% of their total portfolio to promote lending to agriculture and small-scale industries in the 1970s and early 1980s

(iv) The move from a controlled financial sector regime to a liberalised regime in 1986

(v) Promulgation of PNDC Law 328 in 1991 that allowed the setting up of different categories of non-bank financial institutions, including savings and loans companies and credit unions.

Following the interventions, a plethora of players has emerged in the microfinance subsector. The spread of micro-finance methodologies in the 2000s significantly revolutionised the financial sector and extended financial inclusion in the country. The total number of clients of microfinance companies grew from 1.3 million in 2001 to 5.5 million in 2010, and finally to around 8 million by the end of 2016 (BOG, 2016). Microfinance has since expanded from its modest inception to reach a wide range of market niches in Ghana, ranging from rural smallholders to traders and urban enterprises. The industry maintained a strong growth of clients and loans between 2001-2013. During this period, total clients of MFIs grew at an annual compound rate of 16% while deposits grew at 21% and loans at 26% in real terms (GHAMFIN, 2015). A 2016 Report by the Bank of Ghana has indicated that as at the end of July 2016, there were 429 licensed microfinance companies and 31 savings and loans companies.

Rural and community banks (RCBs) have particularly emerged as the main players in the sector and stand out as the largest financial players in terms of geographical coverage, depth of outreach and number of products in rural areas (Andah, 2005). An ARB Apex Bank report (2013) indicates that, as of 2013, there were 143 RCBs with 546 branches across the country with more than 1.2 million depositors and over 150 000 borrowers. Despite their increasing number, RCBs have generally remained small, particularly in terms of the number of outstanding loans. Total loans and advances to clients as in the second quarter of 2017 stood at c1.07 billion representing 2.89% of the total assets of RCBS (BOG, 2017).

Savings and loans companies have also been a strong financial arm in the formal sector of microfinance in Ghana, providing micro-credit to boost clients' capital and capacity for market access. Savings and loans companies in Ghana deploy highly innovative financial strategies in reaching relatively poor clients with very small, short term transactions but which nevertheless remain costly and risky (GHAMFIN, 2004). Despite their high interest rates compared to traditional banks, clients place greater value on the ready access to the funds that savings and loans companies provide (Adjei, 2010). The modes of frequent small payments also mean that savings and loans clients can settle their loans in easier ways. As per conventional practice, savings and loans companies require potential clients to open accounts with them before applying for loans. The purpose, as James (2015) suggests, is to aid in the selection of clients with the discipline to pay off loans and “to eliminate those who are unlikely to be able to bear the debt burden” (GHAMFIN, 2004). The Bank of Ghana (2018) indicated that the savings and loans subsector dominated the specialised deposit-taking institutions sector in Ghana, accounting for 42% of the total asset size of the subsector.

NGOs and cooperatives such as credit unions constitute the fledgling, semi-formal branch of the Ghanaian microfinance industry. Their semi-formal status derives from the fact that they are not licensed by the Bank of Ghana, even though they are registered. According to Steel and Andah (2003), NGOs have facilitated the growth and development of microfinance practices in Ghana through “the introduction of internationally tested methodologies which are often based on group solidarity.” With its poverty focus, NGOs are better able to achieve deeper penetration among poor clients in rural areas, places where the incidence of poverty is more pronounced. James (2015) has identified two categories of NGOs in the Ghanaian microfinance sector, namely, deposit-taking and non-deposit-taking NGOs. Non-deposit-taking NGOs are not licensed by the Bank of Ghana and therefore do not have the capacity, in the regulatory sense, to take deposits. Instead, they rely on donor funds to provide targeted poor households with micro-credit. In contrast, deposit-taking NGOs can “mobilize deposits from the public, which capacity requires them to be licensed by the Bank of Ghana.

Credit Unions, established by the Cooperative Societies Decree, 1968 (NLCD 252), are cooperatives that exist to serve the interests of their members. Because they are not classified as profit-oriented organisations, CUs in Ghana operate to serve the lower end of financial consumers, albeit, now the dynamics have changed, they arguably serve some affluent clients. The informal financial sector comprises susu collectors and clubs, rotating and accumulating savings and credit unions (ROSCAs and ASCAs), traders, money lenders and individuals. Susu collection, which involves saving outside the traditional banking system, enables individuals to invest in projects, promote their welfare by way of business expansion, finance child education, funeral organisations, and other ventures that require lump sums (James, 2015).

The role of microfinance in society

The importance of microfinance lies in the financial products and complementary services designed to ease the incidence of poverty in deprived societies. Through the provision of “capital, trust, social esteem, information, knowledge, competences, empowerment, networking, social capital, technology and market access, microfinance institutions have become active subjects in the insidious battle against poverty in all its dimensions (Valentino, 2008). The industry has been essential to the growth of the Ghanaian economy, especially the informal sector. What is more, the sector has fostered deeper financial inclusion (CGAP, 2011), while empowering the teeming hardcore poor (Stewart et al., 2010).

To a considerable extent, it can be contended that the rise and importance of microfinance derive from the failure by the mainstream banking industry to address financial and income inequalities and guarantee access to credit. As Sarpong (2016) avers, nearly three-quarters of the population in Ghana are unable to use and access conventional banking facilities and packages. Microfinance adequately caters for this segment of the population who otherwise could not satisfy the requirements to benefit from services offered by the mainstream banking sector. The 2015 Financial Inclusion Centre (FIC) survey conducted by the Consultative Group to Assist the Poor (CGAP) discovered that a mere 48% of Ghanaian adults aged 15+ are financially included. The implication is that 52 % are financially excluded, a situation that hinders not only family and household capacity for social mobility but also depresses the national economy. An efficient and effective microfinance industry caters for this yawning deficit as it makes available productive resources and financial services to the “productive poor” to improve their conditions of life. By providing access to adequate productive and material capital for the poor, clients can move out of poverty and have their dignity strengthened and empowered “to participate in the economy and society” (Otero. 1999).

Indeed, loans advanced by microfinance companies have enabled clients to engage in petty trade and expand its scale, procure inputs for farming, enrol children in school and acquire decent, affordable housing. The Bank of Ghana (2007) has outlined three areas to which microfinance services have helped the economy:

1. It has helped very poor households meet basic needs and protects against risks

2. It is associated with improvements in household economic welfare

3. It helps to empower women by supporting women's economic participation and so promotes gender equality.

Broadly speaking, therefore, the role of microfinance institutions in transforming societies is manifested in the financial inclusion and poverty alleviation mechanisms they provide, through which individuals, households and families are empowered to participate in mainstream national economic life. To harness their full potential for national development, however, the state must flesh out an appropriate, effective regulatory framework to guide their operations and keep them in tune with acceptable international standards of banking and finance.

Regulation of the microfinance sector in Ghana

Relevant literature has identified five modes of regulating MFIs. These regulatory mechanisms span policies of no-regulation, self-relation and delegated supervision to existing law and special regulatory policies for microfinance (Kwami, Lawrence and Nirmala, 2017).

The period before 2006 witnessed national and supranational attempts at formulating policy guidelines on microfinance operation in Ghana. The Ministry of Finance, in collaboration with the United Nations Development Programme (UNDP) drafted the Ghana Microfinance Policy (GHAMP) to guide the country's microfinance industry. This became the government's strategic blueprint for pursuing an inclusive microfinance development agenda. Though not intended as a policy or regulatory guideline, the GHAMP nevertheless provided the government a roadmap for understanding microfinance activities in the country (James, 2015). The regulatory Framework for MFIs considers their unique financial service packages, scope and capacities. Rural community banks come under the regulatory oversight of the Banking Act 2004 (Act 673), whereas loans and savings companies are currently under the regulatory oversight of the Non-Bank Financial Institutions Law 1993 (PNDCL 328). The regulatory environment for microfinance institutions in Ghana is fast changing into one that is heavily regulated and supervised. This transformation derives largely from the state's quest to protect "potential and actual end users of microfinance products and services from unfair practices" (GHAMP, 2006). Another reason that informed increasing state regulation is the public outcry from clients and the folding up of MFIs (BOG, 2011). The Bank of Ghana in 2011 issued guidelines for microfinance institutions to deal with the growth of "businesses taking savings and making loans that were registered as companies but not licensed as financial institutions."

In addition to the already licensed RCBs and S&Ls, the new regulation covered the emerging categories of microfinance service providers. It included "microfinance companies" (MFCs), "money lenders," and pre-existing credit unions, financial non-governmental organisations, and susu collectors. The guidelines established a four-tiered structure which spelt out the business form, capital, permissible activities and prudential or reporting requirements.

1. Tier 1 includes deposit-taking microfinance institutions licensed and supervised by the Bank of Ghana. This category comprises RCBs and S&Ls

2. Tier 2 includes microfinance companies supervised directly by the Bank of Ghana, and credit unions currently regulated by the Ghana Cooperative Credit Unions Association. This category is also to be regulated separately by a new legislative instrument that envisages supervision through an independent board under BOG.

3. Tier 3 consists of non-deposit-taking microfinance Institutions. These are supervised in principle by the Bank of Ghana. In practice, however, associations are required to monitor and report on their subsectors.

4. Tier 4 specifically captures susu collectors and money lenders. These are not directly supervised by the Bank of Ghana but are expected to join and report to their respective associations (Bank of Ghana, 2016).

Recognising the liquidity challenges that arguably results in a microfinance liquidity crisis, the Bank of Ghana instituted enhanced prudential requirements that both strengthen the survival capacities of MFIs and protect the interests of depositors. For example, it legislated that all tier-two institutions shall require not less than GHC100 000 as the minimum paid-up capital, whereas tier-three entities require not less than GHC60 000 as the minimum paid-up capital. In fulfilment of further prudential requirements, MFIs must keep 10% of their deposits as a reserve in an escrow account to enable them to sufficiently meet future liquidity problems. The formal implementation of these regulations began in 2012 proper. However, in 2013 the Bank of Ghana deepened further the year-old prudential requirements. The year-old regulation was not tight enough to sanitise and strengthen the microfinance sector. The minimum paid-up capital requirements were revised upward and expanded to include other tiers. These revised requirements are as follows:

1. A minimum paid-up capital of GHC15 million for S&Ls and GHC300 000 for RCBs

2. Deposit-taking microfinance institutions in tier two must have GHC500 000 as minimum paid-up capital

3. Non-deposit-taking institutions in tier three require GHC300 000 as the minimum paid-up capital, among others.

A study of the BOG's regulations reveals that they are meant to ensure an efficient and sound financial system. Nonetheless, the bank's regulations must go further to foster financial inclusiveness, an area that does not feature in both past and current regulation of the microfinance industry.

Media coverage of the microfinance sector in Ghana

With the media serving as the eyes and ears of society, it is appropriate to argue that media coverage of the microfinance industry is critical to the success and viability of the sector. This is because the media portrayal could frame the industry in such a manner as to either deter or court investments. Elizabeth (2016) examined popular media coverage and the profitability of Indian microfinance, using framing and agenda-setting as the theoretical and conceptual framework. Among other discoveries, she posited that "media portrayal could frame the way that international investment decisions set the public policy agenda. Thus, the ways in which stories on microfinance are framed by the media set the agenda by eliciting compassion/public sympathies, tighter regulations, and/or deterring investments.

The microfinance sector in Ghana has, since 2012, been plagued with serious challenges in respect of compliance with regulatory requirements by the Bank of Ghana (Antwi, 2015) and the manifest dearth of due diligence and imprudent practices on the part of management. These and several other drawbacks have resulted in the closure of several microfinance institutions. Obour (2013) estimated that the collapse in 2013 alone of 30 microfinance institutions due to the inability to sustain their operations, while in 2015, 70 of them had their licences revoked for non-compliance with Bank of Ghana regulations (Otoo, 2015). Thousands of customers have suffered severe losses, with many others losing confidence in the sector.

In order to examine the media coverage of the microfinance subsector in Ghana, a loose study was undertaken of online portals' coverage of the sector. The period between December 2013 and February 2019 was selected. Four major news portals: Ghanaweb, citinewsroom.com, myjoyonline.com, and pulse.com were selected and analysed for their coverage of microfinance issues. These outlets were selected because they are the most subscribed to and most authoritative online news portals that continuously generate traffic on their websites (Geopoll, 2017). The goal was to understand the frames deployed by the media in their reportage, whether they were favourable, unfavourable or neutral. These frames were constructed based on news values put forward by Galtung and Ruge (1965), namely,

1. Impact: This consists of the threshold, frequency, negativity, unexpectedness and unambiguity of the stories.

2. Audience identification: This looks at the personalities involved in the stories, meaningfulness of the story, and reference to elite persons and elite nations.

3. Pragmatics of media coverage: This measures the consonance of stories with the media's expectations, the continuity, as well as the composition of stories.

The favourability frame measured whether selected news stories were positive or negative to players in the microfinance industry, namely, investors, customers/clients, microfinance institutions, associations, and regulatory bodies. Stories that did not have components of either negativity or positivity were classified as neutral. Also, story subjects were largely aligned with themes such as microfinance policy, microfinance market, microfinance stakeholders, and microfinance events.

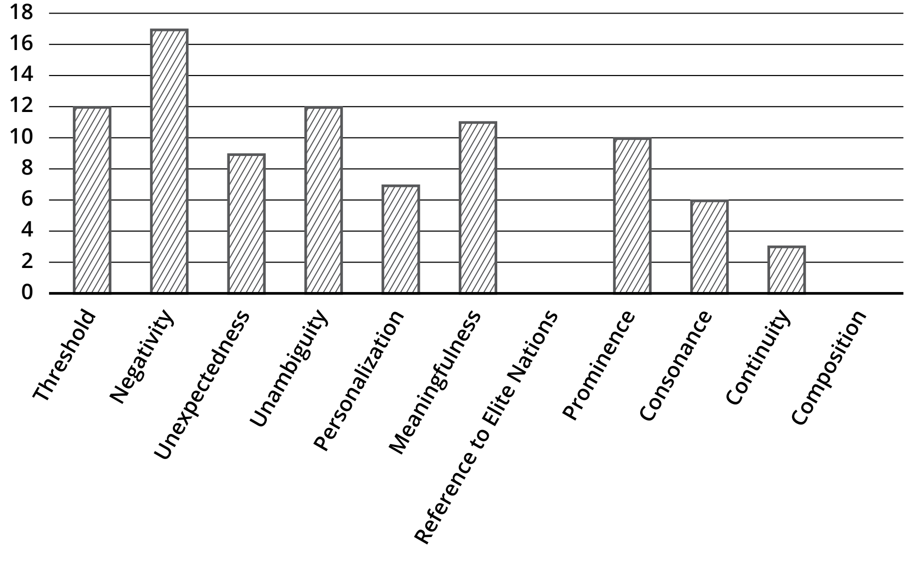
Data Analysis

Table 1.0 is a distribution of news values discovered in the news portals that published stories on microfinance. It is observed from the distribution that "Negativity" was the news value that most prominently featured in microfinance

Table 1.1 *Frequency distribution of news frames on microfinance reportage*

News Value	Frequency	Percentage
Threshold	12	13.79
Negativity	17	19.54
Unexpectedness	9	10.34
Unambiguity	12	13.79
Personalisation	7	8.05
Meaningfulness	11	12.64
Reference to Elite Nations	0	0
Prominence	10	11.49
Consonance	6	6.89
Continuity	3	3.45
Composition	0	0

Figure 1.0 *Pictorial distribution of news values in microfinance coverage*



coverage, representing 19.54% of the overall frequency of news values in the coverage. This was closely followed by "Threshold" and "Unambiguity" as the two news values which had an equal 13.79% influence on microfinance reporting. "Meaningfulness" received 12.64% of total news values identified in microfinance stories, while "Prominence" and "Unexpectedness" constituted an 11.49% and a 10.34% share respectively of the total frequency of news values identified. "Personalisation" and "Consonance" had a share of 8.05%, 6.89% respectively of the overall news values, with "Continuity" receiving the least share of news values discovered in microfinance stories, representing 3.45% of the total. "Composition" and "Reference to Elite Nations" had no share in the news values used in media coverage of the microfinance market. This distribution is further illustrated in Fig. 1.0 above.

Table 1.1 *Frequency distribution of news frames on microfinance reportage*

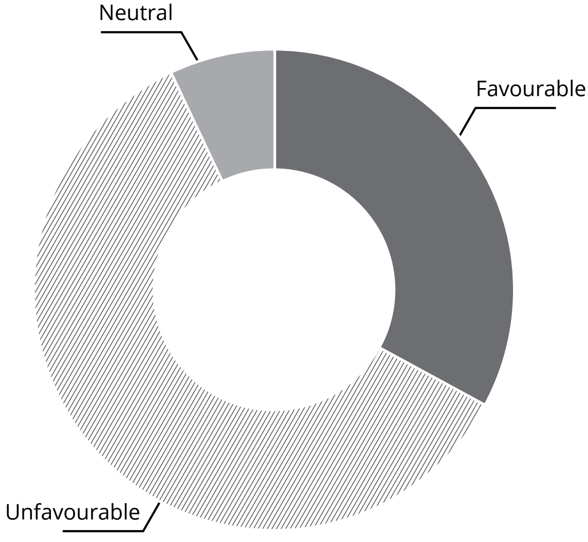
	News frames		
Media	**Favourable**	**Unfavourable**	**Neutral**
Ghanaweb.com	6	12	2
Citinewsroom.com	13	20	1
Myjoyonline.com	11	21	3
Pulse.com	3	7	1
Total	**33**	**60**	**7**

Table 1.2 *Percentage distribution of news frames in microfinance coverage*

News Frame	Frequency	Percentage
Favourable	33	33
Unfavourable	60	60
Neutral	7	7
Total	100	100

Table 1.2 provides an illustration of news frames deployed by the media outlets under study in reporting microfinance issues. The "Unfavourable" news frame was the most pronounced and deployed as it featured 60% of the entire news

Figure 1.1 *Pictorial distribution of news frames in microfinance coverage*



report. The “Favourable” news frame constituted about 30% of news frames used, whereas the “Neutrality” frame had the least share of frames used in the reportage. Evidence for this is graphically represented in Fig. 1.1 above.

Interpretation and Summary of Findings

The above analysis is revealing of the techniques of reportage that inform the media’s selection of stories on microfinance. Among other findings, the study revealed that a significant number of microfinance stories had media attention because of the negativity value laden in them. This indicates that in their selection of stories and consequent reportage on the same, the media are more likely to prioritise and report bad stories than good/positive ones. This is in keeping with Galtung and Ruge’s (1965) finding that in comparison with other news values, bad news stories are better placed to score higher.

The study also established that a sizeable number of the stories on microfinance were selected and reported because of the huge impact it has on people and the large amounts of money and resources involved in the sector. Consequently, a story with less impact and resources involved is unlikely to be published. The reported stories also scored relatively high values on meaningfulness and unambiguity, implying that editors published the stories because they were/are easy to relate to and be understood by audiences, because of their "cultural proximity." In effect, the findings did not significantly depart from Galtung and Ruge's contention that stories that most concern the wellbeing of audiences and can be easily understood and related to are stories that engage the most attention of editors and stand the high possibility of going to print. It is these dynamics that inform why the media organisations under study reported only those issues on microfinance that featured these elements.

Conclusion: Challenges and opportunities for reporting on the microfinance sector in Ghana

The microfinance market in Ghana occupies a central place in the government's policy drive to bridge financial and income inequities and consequently alleviate poverty. It is of absolute necessity that information on the sector is proactively disclosed to allow stakeholders in the industry to make prudent decisions. Most significantly, media engagements with the sector, in the form of reporting and coverage, are critical to realising the regulatory objectives of transparency and accountability, both of which are held as non-negotiable tools for financial inclusion and the consequent growth of the sector.

Unfortunately, the media's role and attempts at reporting on the sector are gravely challenged by the inadequacy of information volunteered or made public by the sector. As Otoo (2015) disclosed, microfinance institutions have generally not been proactively forthcoming with information on their finances and operations, unless compelled. This situation affects the capacity of media and journalists to report on the microfinance sector with the right information. The implication is that several media organisation fall into the dreaded journalistic sin of conjecture in attempting to report on the sector, reports which are unfortunately fed on by audiences and customers. In this environment of financial secrecy, the media cannot properly scrutinise the operations of the industry and hold them to account. It is hoped that, with the passage of the Right to Information Bill, which is awaiting presidential assent to come into law, the media will be empowered to demand greater transparency and accountability.

Another challenge in reporting on microfinance in Ghana is the dearth of financial literacy and expertise. Knowledge of the sector by journalists and how it operates will undoubtedly afford them a greater understanding of the sector. It is this knowledge deficit that has affected the ability of the media to produce stories on the sector with such accuracy and competence that most suits journalistic tenets. To this end, a specialised economic or financial journalism training course for journalists will go a long way to mitigating the impact of such a phenomenon.

Finally, reporting on the microfinance sector in Ghana has been greatly affected by journalists' lack of knowledge of the legal and regulatory environment within which microfinance institutions ought to operate. The very vital questions of accountability and accuracy that must inform the media's coverage of the sector are missing in the equation. The media cannot hold the microfinance sector to account in terms of regulations when they lack adequate appreciation of those regulations.

Despite these challenges, there exist opportunities for reporting on the microfinance sector. It is safe to argue that the capacity of a journalist, especially with respect to finance, will be greatly enhanced if the journalist were to dedicate himself or herself to reporting on the sector. Whereas the dearth of working knowledge on the microfinance industry will seriously impede good reporting by a journalist, it is contended that such working or expert knowledge is built through years of diligent engagement, in the form of coverage-about the sector. Eventually, the journalist's credibility regarding operational knowledge of the microfinance market is greatly boosted.

Furthermore, media practitioners in Ghana are heavily disincentivised in terms of remuneration, and little opportunities exist for financial inclusion and economic mobility for journalists. Reporting on the industry will expose them to the opportunities and flexible financial packages offered by MFIs. Journalists can harness these soft requirements to boost their financial and income capacities, and therefore ensure their participation in mainstream economic activities designed to alleviate poverty and ensure financial inclusion.

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Africa's Online Press and the Stock Exchange: A Content Analysis of Selected Financial Papers

Economics journalism has emerged in Africa as a much-needed concept that has received little attention over the past decades. The stock exchange is an integral part of business and world finance. In the game of money, the stock exchange is the thermometer that takes the temperature of markets. With more and more Sub-Saharan African countries struggling to structure their stock exchanges, it is important to explore how print media has followed the growth of African stock exchanges and how they report market trends, as well as the gains and losses reflected by the stock exchange. Can the media set an agenda in the stock exchange?

Using both quantitative and qualitative methods, this study conducted a content analysis of selected online print media from East, West and southern Africa. Issues studied include type of report, angle of report, amount of report, focus of report, depth of report and quality of report.

It is expected that, given the low literacy levels across most of Sub-Saharan Africa, added to poverty and inertia when it comes to reading, newspapers will seek to be creative in their reporting of the market and in their analysis of corporations involved in stock exchanges. For example, will the attention of buyers be directed solely towards figures or will reporters consider the effect of businesses on African values and ways of life? What approaches do local reporters use to invest their reports with a true picture of investments in Africa?

Introduction

Financial news, economics reporting, and business journalism are uncommon words in the everyday parlance of African citizens. Beyond the business class and government officials, there are limited debates on market conditions or global macroeconomics. Media houses rarely have dedicated programmes that explain financial markets to consumers. Apparently, the topic is too complicated for journalists to unravel, or media consider audiences to be incapable of decoding financial news. Yet, it is important for the media to cover and report on financial news, business and global economics, because, for some people, the media are the only accessible source for such information.

Some of the responsibilities of such reporting are accuracy, immediacy, proximity, clarity and objectivity. Money is “hot”, it never stays in one place and it is always seeking to change hands. This implies a continuous follow up of business, economic and financial trends. Furthermore, the factors that affect money are varied, sometimes specific to certain contexts like embezzlement, capital flight and corruption; sometimes a global reality like banking and international trade.

Following the global recession of the mid-2000s, foreign media sought to understand how they had missed the signs. Capital investors, especially those who trade on the stock exchange, rely on financial reports to understand market trends and gain insights into the corporations whose stocks they are interested in purchasing. The failure to predict a recession of such magnitude implied a failure in financial, economic, or business journalism.

Africa has suffered widespread economic crises from the 1980s onward. Several factors supposedly caused these crises, including poor governance, bribery and corruption, climatic conditions and the incapacity of governments to manage their economies. The recent global economic recession also hit Africa hard, though it was not a direct result of African economic policies. Economics journalists and analysts in the West spent thousands of hours investigating the crisis. They sought to understand the what, why, when, where and how of the crisis. They pursued their investigations to unusual levels in looking for proactive measures that could be taken in such a crisis, so that their readers could be better informed and therefore able to take smarter financial decisions in the future.

In contrast to the West, there was no visible or dramatic upsurge of economics reporting on the African continent. Some factors, such as illiteracy and a poor reading culture, affected the sales of financial news journals and could have accounted for the lacklustre performance of the media regarding the economy. Added to this was the inadequate provision of financial resources, which prevented journalists from engaging in consistent research and economics news development, and this led to substandard economics news coverage.

Furthermore, African markets were and are still not well integrated into the world market. The internationalisation of stock exchanges took place in the early 20th century, facilitating the integration of some national and overseas markets (Attard, 2013), but judging by the fledgeling nature of African stock exchanges, this did not seem to have greatly favoured it. One must also admit that journalists at this point in Africa's history are still struggling to catch up with political changes on the continent, and many do not as yet have the capacity to understand world economics or report on it.

By 1985, there were only seven stock exchanges in the whole of Africa: three in North Africa and four in Sub-Saharan Africa, one of which was in South Africa. Over the years, many African countries have set up national stock exchanges, which are very important for harnessing national growth and participating in global economic trade. The data for Africa indicates that 29 out of 54 countries currently have national stock exchanges.

In the broader analysis of trade, it is evident that the evolution of the stock exchange in Africa has been slow. The Egyptian exchange started in 1883, one hundred years after stocks and securities were traded in New York, and about 80 years after the London Stock Exchange opened its doors for trading. One hundred and thirty years later, the Egyptian exchange is still not known across the African continent. Though there are 29 or more stock exchanges in Africa, the concept of stocks and securities is still not familiar to the rising business class.

Most businesses in Africa are owned and controlled by families, and their stocks are therefore not publicly traded. Meanwhile, the institutional framework for managing stocks is in its infancy. As a result, there is a significant lack of business reporting or financial and economics journalism in most African countries. This paper therefore attempts to explore economics reporting in Africa as a means to achieve a better understanding of financial markets as well as trade and financial investments. Through a content analysis of selected online newspapers, this study intends to evaluate the quantity and quality of stock exchange news and to assess whether this is an asset, or whether it creates limitations for financial investments on the continent, as well as for the types of investments made and the targeted actors.

What is a Stock Exchange or Stock Market?

The interrelation between the media and the stock exchange has increasingly become an area of focus in Africa. As global economies evolve, African states are under pressure to catch up in order to benefit from globalisation and technological advancements. Increasingly, new entrepreneurs are emerging, some with the desire to take advantage of existing trade deals or the need to negotiate new deals. Fiscal and trade policies are extremely important to support this emerging class of businesspeople. The media's role is fundamental, in that it provides a synthesis of policies, together with other factors such as population and politics, to create meaning for the average citizen, who has a stake in national growth.

According to Chiang *et al*. (2006), it is the media's responsibility to explain what is happening, and how. This, according to Loiko (2011), should be done promptly, accurately, objectively and meaningfully, with a focus on the economic, political and social effects on society. In consequence, the media becomes an ineffective tool if it cannot demonstrate an in-depth understanding of the stock exchange sector as part of an individual, national and global reality.

According to the Securities Contracts (Regulations) Act, 1956, "the stock exchange is an association, organization or body of individuals, whether incorporated or not, established for the purpose of assisting, regulating and controlling business in buying, selling and dealing in securities". Basically, this means that the stock market is where the business of buying and selling of stocks (shares) is done according to the accepted rules of trading. Stocks, which are the sole commodity of stock markets, refer to the totality of a company's holdings measured in shares. When corporations are set up, there are a certain number of authorised shares attributed to the corporation. These make up the stock of that corporation, which they can choose to sell on the stock exchange. Like a physical market, where consumers visit stores, supermarkets, shopping malls, and so on, to pick up products, the stock exchange is a market for the sale of a wide variety of shares, all belonging to different corporations and representing a variety of products. To make it more comprehensive, when we buy a brand of mobile phone, for instance, we see the product but we do not see the owner or owners of that product. If the company is publicly traded, that is, it is registered on the stock exchange, it means therefore that there could be as many as one thousand people who are affected positively if the product does well on the market, or negatively if the product doesn't sell. These people are those who have bought the shares of that company, making them part-owners of the corporation. By implication, they have invested money in the corporation through the buying of shares, and they become beneficiaries of the profits made.

How Does the Stock Exchange Function?

When companies are created, sometimes they require capital to start off production or to expand production (Eskin, 1987; Becket & Essen, 2010). As a start-up, a corporation may be unable to get capital from a bank. Another avenue to get the needed capital is the stock market. Before a corporation can sell its shares on the stock exchange, a bank will first offer shares (say 1000) to capital investors. This is referred to as the initial public offering (IPO). It is only after this that shares can be resold on the stock exchange, which is the reason why it is often referred to as a secondary market, while the IPO is a primary market. Following the IPO, the corporation is expected to select a stock exchange of its choice, either local or foreign, where it wants to trade its stocks. The choice of a stock exchange is often guided by several factors, some of which include capital, type of product, investors and market share.

After identifying the stock exchange, the corporation must fulfil the listing conditions of its preferred stock exchange in order for its shares to be marketed on that exchange. In summary, the stock exchange therefore functions as a physical and virtual location where new and old corporations, after fulfilling the necessary technical and social requirement, are permitted to sell portions of their company in the form of shares. The financial resources generated from such sales become start-up capital for a new business or expansion capital for an existing business. Shares on the stock exchange can also be sold by individuals who are prior owners of those shares. This is in the interest of profit, provided those shares now sell at a higher rate. Shares can also be sold by investors who want to avoid an impending reduction in the value of the shares that will lead to them having to sell at a lower price, thereby losing their money.

Factors Affecting the Stock Exchange

The stock exchange, like every other structured enterprise, functions within a context and relies on human capacity and technology to work. The vagaries of climate, the economy, politics, human emotions and technology determine the functionality of the stock exchange either positively or negatively. Huge amounts of money are traded on the exchange every single day, and the lives of millions of workers and families depend on the choices that are made and the consequences of those choices. Corporations and capital investors spend long hours monitoring markets and reading through documents that can reduce to a minimum the risk of their choices. Beyond the markets, investors also study other factors that can impact market trends negatively or positively. It is therefore incumbent on reporters to understand these parameters and how they are related to stock exchange down-turns or up-turns.

Economics

Understanding how the economy works is very important for economic, financial or business reporting. This is because the economy is both substantial (referring to the figures) and not (referring to politics). The larger policies of a nation are guided by political actors, who define the way macroeconomics works, which in turn affects microeconomics. A government's policies on taxation, interest rates, etc., directly affect production and expenditure. These, in turn, may lead to inflation or deflation, which though present in every economy to a certain extent, usually needs monitoring in order to determine how capital investments could be affected either negatively or positively.

The functioning of the economy is therefore a very powerful factor in determining stock exchange trends. When there is positive economic growth, companies tend to make more money, and this increases the value of their stocks. When interest rates decline, it also signifies an economic boom because capital investments will increase. This is evident from President Donald Trump's recent economic policies in the United States. During his first year in office, he passed a tax bill cutting corporate taxes. This to an extent encouraged businesses to invest more, and the result was a stock market that performed significantly well, registering a 32.1% growth in his first year of office. Other factors such as rising or falling unemployment also have specific economic consequences, and if unpredicted could affect the stock exchange.

Politics

The control of political power is a determinant of economic shifts. Investors are often aware that politicians have different priorities. Some are friendly towards a strong private sector, implying a friendly business environment characterised by laws that foster private sector growth, while others are more interested in social welfare, thus prescribing greater government involvement in the market, and thereby instituting more stringent market policies that negatively affect profits for the private sector. These considerations are the same for political developments in foreign countries. New leadership may imply a renegotiation of trade agreements or a complete change of trading partners. This uncertainty will significantly impact local stocks, as investors will want to be certain of a company's eventual performance.

Other factors that influence the stock exchange are man-made (the burning of an important factory, poor storage of a product line) or natural disasters (earthquakes, tsunamis, etc.), and these also tend to determine the share price of a corporation. Investors are sceptical about incidents that can cause them to lose money. In view of all these factors, it is therefore extremely important for reporters covering a stock exchange to take into consideration all the various aspects of the market in order to effectively serve their audience.

Reporting on the Stock Exchange

The stock exchange, like every market enterprise, is basically an economic endeavour, and is therefore characterised by certain factors including the process of negotiating, monitoring and enforcing contracts (Nalukenga, 2000). It also involves the cost of searching for suitable trading partners, the analysis of the market, settlement upon conclusion of a business deal, and other after-sales services (Gebauer & Scharl, 1999; Kraut *et al*., 1998; Moodley, 2002). Given the nature of the stock exchange (the need for speedy negotiations, competition, huge capital investments, complex corporate structures and market systems, market regulations, etc.), Grandon and Soda (1995) consider the relationship that exists between two parties in this context as primordial. This relationship consists of the exchange of products, information and knowledge in working towards the attainment of a common goal.

The concepts of information and knowledge are critical to the acquisition of products (such as shares or securities) in the stock exchange market. That is because information and knowledge enhance market efficiency, which leads to productivity gains. According to Andrianaivo and Yartey (2008), informational problems lead to the emergence of market intermediaries and this increases the transaction costs incurred. Providing market analysis is thus necessary and vital to the effective performance of the stock exchange. In their research on economics journalism, Abello and Liddell (2011) say knowledge, information and statistics are primordial to the functioning of a market economy. In this light, the media must report on economic issues in a manner that facilitates dialogue between the public, businesses and public officials. Business journalists are in this way expected to break down economics concepts to reflect the daily needs and experiences of the wider public, who can then make informed decisions about their finances and way of life.

Beyond the needs of the public, effective economics reporting helps the democratic process because it improves the transparency of reporting. This is what is referred to as the mutual dependence of the media and government or the media and corporate bodies. The media depend on them for news while they depend on the media for image-building and effective policy implementation (Lindgren, 2006; Abello and Liddell, 2011). Moreover, existing research suggests that the need for financial journalism is increasing due to the growing influence of corporate forces in the market and declining financial and economics education among citizens. Findings from this study reveal the need for more investigative financial journalism, supported by better dissemination of information. In addition, while reporting on the stock exchange, several factors must be taken into consideration, including the use of language and the expression of emotions. To some extent, the use of negative or positive words has been described as having similarly negative or positive effects on the opening prices of certain stock listings.

Theoretical Framework

Why do journalists report on the stock exchange in the way they do, and what factors drive their choice of stories to focus on? These questions are driven by the need to understand how the concept of the stock exchange is being cultivated in the minds of its audience by the media. African economies still face the challenge of largely being unstructured. National economic policies are mostly not known by the common citizen, who barely understands why certain policies are voted for or how these policies affect their livelihoods. For example, basic tax laws on consumption products determine who can afford to buy imported products like cheese, butter, certain brands of cooking oil, or a certain quality of rice. These taxes also determine who benefits from the importation or sale of these products. If imported goods are in competition with local goods, fiscal policies may favour one over the other. Understanding how this works can determine the people's consumption patterns. It is a recognised fact that proper economics reporting has a critical impact on the livelihoods and investments of ordinary citizens (Abello, 2011). Therefore, it is important to find out what financial stories are prioritised on the stock exchange and if they reflect the perceived needs of the majority of the population in terms of driving innovations that respond to the aspirations of the people. The media's capacity to determine what is considered salient in the minds of the people means that people will obviously focus on the issues that the media prioritise. Furthermore, when the media reports on specific issues, they frame the stories to suit their news agenda. The theory of framing refers to the manner in which the media organises and presents the events and issues they cover. News frames influence the way the audience perceives the issues that are being reported. The analysis of frames will help us to understand the media's agenda in reporting on the stock exchange.

Methodology

This study uses a content analysis of selected online African newspapers. The use of content analysis for this study is most appropriate, since it allows the study to explore the approach taken by African journalists in reporting on the stock exchange. As an exploratory study, the research is focused on identifying reporting trends. This study also seeks to understand what financial journalists prioritise in their reporting on the stock exchange. Considering that African populations are made up of a growing middle class and the poor, it would be interesting to discover if local journalists cover financial issues that are of more value to the people, if they analyse markets with the intention of opening up opportunities for the business middle class, or if they simply serve the interests of big businesses and foreign economic interests.

The study of online newspaper content is also designed to explore the approach to stock exchange reporting in terms of the frames that are used. The economies of most African countries are still fairly unstable and financial investments tend to be concentrated in few hands. Do journalists in their reports explore avenues for the business middle class to participate in the market? Are media consumers given the right amount of information that permits them to develop enough of an interest to take financial risks? Are the structures of these markets beneficial to African economies? Do journalists provide local alternatives in their reports that better suit our culture and needs? What issues are prioritised in media reports about the stock exchange? These are the questions that will guide the data collection and analysis in a bid to situate media reports within the context of Africa's financial needs and opportunities for economic growth.

The study makes use of selected online financial newspapers from Nigeria, Kenya and South Africa. The choice of these countries results from the fact that they have more functional stock exchanges and an online presence, which can be accessed from anywhere in Africa. It is therefore to be expected that financial analysis will be more available and consistent in their newspapers than in other contexts. The study will examine the selected three online financial newspapers over a period of two consecutive weeks to explore trends in their stock exchange reporting. Attention will mostly be paid to stock exchange reports. It is expected that these issues will provide a glimpse into the issues that make part of the African capital market and investment trends.

Findings

This study focused on online financial papers from Kenya, Nigeria and South Africa. In Kenya, we identified *Business Daily Africa*; in Nigeria, *Business Day* and in South Africa, *Business Report*. Our interest was to find out the number of stock exchange stories published each day, the focus of the stories, the issues presented, and to what extent they reflected local realities and the opportunities involved for the masses. Covering a two-week period (from the 5th to the 20th of March) for each newspaper, the study looked at how newspapers prioritise issues and whom they write for when reporting on the issues of financial markets.

Table 1 *Number of Stories About the Stock Exchange*

Category	Newspaper Name			Total
	Business Daily Africa	Business Report	Business Day	
No. of Stories	17	4	32	53
Percentage	32%	7.5%	60.5%	100%

Data from Table 1 reveals that, during the period selected for the study, the Nigerian online newspaper *Business Day* carried more stories on the stock exchange (60.5%), while the Kenyan paper *Business Daily Africa* followed with 32%. Stories that were analysed as referring to the stock exchange were described as such by the newspapers. Other business stories were reported, but because the research is focused on the stock exchange, we had to ensure that we analysed only stories described as such.

Table 2 *Focus of the Stories*

Focus of Stories	Newspaper Name			Total No. of stories	Percentage
	Business Daily Africa	Business Report	Business Day		
Stock markets and development	1	–	2	3	6.0
Foreign Exchange	1	–	4	5	9.4
Environment	1	–	1	2	3.4
Market Regulation	3	–	–	3	6.0
Technology	2	–	–	2	3.4
Stock Trading	2	–	9	11	21.1
Corporate Management	–	2	7	9	17.0
Trade Fraud	1	1	–	2	3.4
Investment strategies	–	1	–	1	1.9
Foreign Economic Ties	2	–	–	2	3.4
Stock Market Analysis	4	–	9	13	25.0
Total	**17**	**4**	**32**	**53**	**100**

Based on evidence from Table 2, analysis of the stock market had the highest percentage coverage (25%) across the board in both *Business Daily Africa* and *Business Day*. These are stories that focused on stock reviews, trading gains and downturns, and capital market analysis. This is closely followed by stock trading (21.1%). The stories here mostly focused on the movement of stocks and trading patterns. There is, however, a rich repertoire of issues covered, which is indicative of the fact that the African press does provide pertinent information about the stock exchange for general consumption. Reports on market regulation, trade fraud, technology, and sustainability reporting all cover important aspects of the market for investors.

Most of the stories were written in news format, especially in *Business Day*. *Business Daily Africa* and *Business Report* used narrative in some stories. The advantage of narrative is the added opportunity for analysis and perspective guided by research. Reporting on the stock exchange seems to be driven therefore more by market events rather than by journalistic or expert opinions. A majority of the stories also targeted local and national audiences because most of them were focused on the country's stock markets. Only 9.4% of the stories focused on foreign trade, and these stories mostly provided comparisons of the exchange rates of currencies.

Stories on foreign economic ties showed partnership trends and how trade agreements affected foreign stock exchanges. In *Business Daily Africa*, for instance, one of the stories was on French President Macron's visit to Kenya. This story reported on the French companies that benefitted from this visit, based on the agreements that were signed between them and the Kenyan government. Some of these corporations won contracts that would last for 30 years and that were worth billions of dollars. Since they were registered on the French stock exchange, it is evident that their share prices will go up in view of such strategic gains. Meanwhile, African corporations are the big losers, and this in turn will affect their stocks, with a negative effect on overall liquidity for the local stock markets.

Thematic Analysis

Some themes were identified in the reports on the stock exchanges across the papers analysed.

1. The Performance of African Stock Markets

Some of the stories looked at the state of the stock markets in Africa, and concluded that African stock markets were fragmented and shallow compared to their equivalents in Latin America and Asia, resulting in a liquidity problem. African stock markets are unable to raise capital to fund listed business. This has resulted in the fact that local companies choose to list their businesses out of the continent in competing exchanges, further aggravating the situation of African stock exchanges. It is in this light that Rufus Mwanyasi in his article in *Business Daily Africa* of March 05, 2019, proposes a Pan-African Exchange to help boost these stock exchanges. The potential for growth is real. According to a recent forecast by the International Monetary Fund (IMF), the period 2019 — 2020 will experience growth of more than 5% for about one-third of Sub-Saharan African economies. If individual and institutional investors on home soil can be mobilised to participate in the Pan-African stock exchange, alongside international investors, then the much hoped-for financial depth of an African exchange can be achieved (Olusegun *et al*., 2011).

2. Structural Constraints of Stock Markets

Beyond the lack of capital, there are other structural factors that hinder the growth of African stock exchanges. These are political instability, regulation, and logistics. Where there is political instability, investors are likely to shy away because of the uncertainty of the market. Regulation at such times also becomes problematic, and without proper regulation, capital market fraud such as insider trading and other improper market behaviours will surface to the detriment of investors. To ensure effective regulation, stock exchanges need to upgrade their use of technology. According to James Kivuva, in a 17 March report, stock markets need up-to-standard market surveillance systems that are up to standard. This is in order to mitigate risks for investors.

Conclusion

This research on the African press and African stock exchanges has revealed that there is a depth as well as breadth of reporting. Most newspapers focused on their national stock exchanges, with inadequate reference to South-South trading. Foreign currency exchange or foreign cooperation ties were mostly North-South, with a visible disadvantage for the South. It was also apparent that though some economies of Sub-Saharan Africa are tagged for growth, many stock exchanges still suffer from inadequate capital and poor structuring. The presence of security issues and political strife compounded an already difficult economic landscape. Notwithstanding, there is potential for raising capital by expanding the market to meet local interests. This means that capital for the stock exchange can be mobilised through public participation. The majority of people in Africa are unaware of the benefits and functions of a capital market, but this can change through more strategic and targeted reporting. It is also advantageous to encourage more South-South cooperation by removing trade borders and enhancing intracontinental trade.

Research into how the press reports on stock exchanges has revealed to me other forms of business reporting that could not be covered in this study but which hold much potential if business journalists pursue these stories. For example, one of the stories in *Business Daily Africa* was on the supply of corn, with a specific focus on the shortage of carrier bags. The company producing the bags probably ran short of capital and could not produce the number of bags requested by the government. Investing in such a corporation would be a good investment. What the government has done, however, is to get farmers who have been contracted to supply corn to purchase their own bags for a refund. These farmers are indirectly investing in that corporation, yet they will be receiving no meaningful benefits. Reporters can broaden the discussion on such issues, while helping to render visible such opportunities for capital investment by the common man.

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Part III

Pedagogical perspectives in business and economics reporting

7

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Artificial Intelligence for Journalism and Media Students

This chapter was prepared for journalism and media students who do not have a background in computer science. It includes contributions from scientists and experts in the field of artificial intelligence (AI). First, it introduces the different kinds of journalism that use computers with sophisticated AI capabilities to collect, distribute, and publish content, such as "computational journalism", "robot or automated journalism" and "augmented journalism". Then, it explains basic concepts used in machine learning in supervised and unsupervised environments, and describes the technology employed in media houses around the world. In addition to these new tools of journalism, the chapter discusses AI benefits such as research that is less time-consuming, big data that is easier to collect, and data that can be cross-referenced for accuracy. It examines how machine learning algorithms or bots can be susceptible to biases and errors and considers ethical issues inherent in journalism's use of AI.

Introduction

The science of artificial intelligence is not new. References to artificial intelligence have been found in the manuscripts of ancient Greece and Egypt. The concept of a "thinking machine" began as early as 2500 BC, when the Egyptians looked to talking statues for mystical advice. "Egyptians believed that every object, animate or inanimate, could be made to obey the will of men who possessed a thorough knowledge of a series of variant spells and the 'words of power' necessary to achieve this end" (Bushby, 2012). They called this science Theopaea, which "taught the art of endowing the various symbols of gods with temporary life and intelligence. Statues and blocks of inert matter became animated under the potential will of the hierophant" (Bushby, 2012).

Gaston Maspero, in his *"Études de Mythologie et d'Archéologie Egyptiennes"*, wrote a chapter on prophetic statues in ancient Egypt, and he made this comment: "Those statues were animated, they really spoke and moved … it is impossible to doubt that at least at Thebes, under the XIX and the following dynasties, the statues of Amun worked real miracles". Maspero also refers to the fragments of the great inscription of Deir-el-Bahari that seem to indicate that it was after a real conversation with Amun that Queen Hatshepsut sent a fleet to discover the Country of Incense and bring back the perfumes that were necessary for religious ceremonies. Maspero believes that "if the inscriptions are nearly always full of dialogues between the gods and the king, they were not the work of imagination but the expression of a living proof" (Maspero in Bushby, 2012). Also, the predecessors of today's robots, automata, date back to ancient Egyptian figurines with movable limbs like those found in Tutankhamen's tomb.

In ancient Greece, AI goes back to Hephaestus, the Greek god, also known as the god of blacksmiths. According to Greek mythology, Hephaestus made intelligent weapons for all gods. In their view, the goal of artificial intelligence is to be able to help people achieve a certain goal, operate automatically, and be programmed in advance to react in different ways depending on the situation (Prasanna, 2018). According to Adrienne Mayor in her article "An AI wake-up call from ancient Greece", published in *The Japan Times* in 2018, Hesiod the Greek poet says that Pandora was "made, not born". She was created according to the specifications of Hephaestus, the god of invention, to be like an AI fembot, a lifelike android, that would not age or die. She had no parents, childhood memories or emotions. And, "she was programmed to carry out one malevolent mission: to insinuate herself in an earthly setting and then unseal the jar". (Mayor, 2018)

In 1950 Alan Turing, the British mathematician and WWII code-breaker, came up with the idea of machines that think. He even created the Turing test, which is still used today, as a benchmark to determine a machine's ability to "think" like a human. Though his ideas were ridiculed at the time, "artificial intelligence" became popular in the mid- 1950s, after Turing died. It was then, in 1956, when computer scientist John McCarthy first referred to AI.

In 1959, American cognitive scientist Marvin Minsky co-founded the Massachusetts Institute of Technology's AI laboratory, and he was one of the leading thinkers in the field throughout the 1960s and 1970s. He also advised

Stanley Kubrick on “2001: A Space Odyssey,” released in 1968. This epic science fiction film, produced and directed by Stanley Kubrick, gave the world one of the best representations of AI in the form of HAL (Heuristically programmed ALgorithmic Computer) 9000. This character appears to be as conscious and capable of abstract reasoning, empathy, and emotional experience as a human. Although this class of AI doesn’t currently exist, some people are hopeful that it may emerge in our lifetimes. The term “artificial intelligence” became popular in the field of entertainment. Besides Kubrik’s film, “2001: A Space Odyssey” there are many movies based on the concept of super intelligence such as Ex-machina, Her, AI, Avengers — Age of Ultron, etc. But, artificially intelligent systems as we know them today are no match for so-called “super intelligent” systems. (Mannix, Kate and Hall, 2017)

AI has evolved from what was once just a creation of the imagination of some of the best science fiction writers and is taking root in our everyday lives. We are using technology that uses machine learning algorithms that enables them to respond and react in real time. For example, we get weather forecasts, email spam filtering, Google’s search predictions, and voice recognition such as Apple’s Siri virtual assistant. These are all examples of AI technology that we have already adopted in our lives. But this adoption did not happen immediately. It took a couple of decades for people to recognise the true power of AI. Experts in the field of AI recognise the dangers of this technology, but agree that, when used for good purposes, AI could be very useful, especially when it comes to big data.

At the beginning of the 21st century, machine learning technologies are improving businesses and making them more productive because they are able to collect and organise big amounts of data to make predictions and insights that cannot be done manually by humans. AI technologies are presently used in many fields such as business, education, and the sciences, as well as by media houses. Media houses around the world are seeing the potential of AI technologies to automate the creation of certain news content, such as sports reporting and corporate earnings reports. With the assistance of robots, journalists at AP have been able to free up to 20% of their time, which has allowed them to analyse big data and generate additional outputs faster and more accurately (Marconi & Siegman, 2017)

Experts in the field of AI predict that AI will become commonplace in everyday life. However, they do not expect that machines will take over any time soon because what machine-learning technology lacks is intuition, and this cannot be replicated via algorithm: this can only be provided by humans. So, those who have integrated AI in their businesses and everyday life see the possibility of having an harmonious relationship between humans and machine-learning technology by taking advantage of their respective strengths. An example of this is a Japanese venture capital firm that recently nominated an AI board member for its ability to predict market trends faster than humans and so avoid critical mistakes and fraud. (Shani, 2015).

Despite all the advances in AI technologies, many countries in the developing world do not have the capital to access machine-learning technology for their businesses, and not everyone is ready yet to work with robots. But there is great interest in learning more, especially among the youth, while others would prefer that AI remains in science fiction films.

Artificial Intelligence definitions and basic concepts

There are many definitions of AI. I would like to start with the eight definitions provided by Stuart J. Russell and Peter Norvig in the book "Artificial Intelligence A Modern Approach" (2010) because they encompass the four approaches used by other authors in different literary sources to define AI.

Thinking Humanly "The exciting new effort to make computers think … *machines with minds*, in the full and literal sense." *(Haugeland, 1985)* "[The automation of] activities that we associate with human thinking, activities such as decision-making, problem solving, learning …" *(Bellman, 1978)*	**Thinking Rationally** "The study of mental faculties through the use of computational models." *(Charniak and McDermott, 1985)* "The study of the computations that make it possible to perceive, reason, and act." *(Winston, 1992)*
Acting Humanly "The art of creating machines that perform functions that require intelligence when performed by people." *(Kurzweil, 1990)* "The study of how to make computers do things at which, at the moment, people are better." *(Rich and Knight, 1991)*	**Acting Rationally** "Computational Intelligence is the study of the design of intelligent agents." *(Poole et al., 1998)* "AI … is concerned with intelligent behaviour in artifacts." *(Nilsson, 1998)*

Figure 1 *(Russel and Norvig, 2013)*

Russel and Norvig (2010) provide eight AI definitions laid out along two dimensions: thought processes and reasoning; and behaviour. Furthermore, they classify them under four categories, namely acting humanly, thinking humanly, thinking rationally, and acting rationally.

NATURAL LANGUAGE PROCESSING	enables the computer to communicate successfully in English
KNOWLEDGE REPRESENTATION	stores what it knows or hears
AUTOMATED REASONING	uses the stored information, answers questions and draws new conclusions
MACHINE LEARNING	adapts to new circumstances and detects and extrapolates patterns
COMPUTER VISION	computer vision to perceive objects
ROBOTICS	robotics to manipulate objects and move about

Figure 2 *(Russel and Norvig, 2013)*

- Acting humanly, the computer needs to possess the following capabilities. These six disciplines comprise most of AI. Also, the computers are tested using the Turing test, a test that has remained relevant for over 60 years now.

- For a programme to think like a human, a cognitive modelling approach is needed. This approach combines AI computer models and experimental techniques from psychology to construct accurate and testable theories of the human mind.

- To create intelligent systems, a “laws of thought” or logistic approach within AI is employed. This approach allows for solving any solvable problem described in a logical system. However, it is less than 100% accurate.

- To create computer programmes that act rationally, the rational agent approach is employed. This approach is based on the function of a computer rational agent that acts to achieve the best outcome or, when there is uncertainty, the best-expected outcome. (Russell & Norvig, 2013)

It is important to note that terms like artificial intelligence (AI), machine learning (ML) and deep learning (DL) are often used interchangeably. However, they do not mean the same thing. Seema Singh in her article "Cousins of Artificial Intelligence," published by Towards Data Science, says that "Artificial Intelligence is a broader umbrella under which Machine Learning (ML) and Deep Learning (DL) come" (Singh Seema, 2018). See figure below.

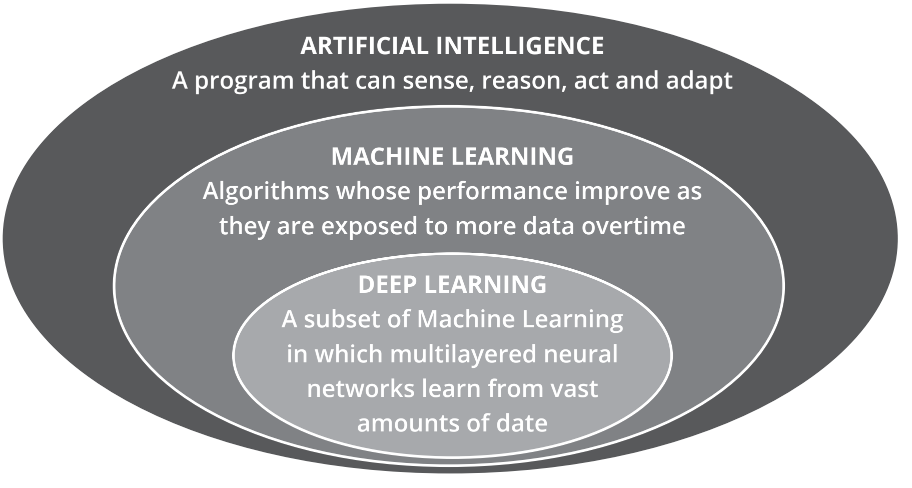

Figure 3 *Cousins of A (Singh, 2018)*

Furthermore, Sarah Kenshall and Nathan Dudgeon (2018) in their introduction to AI make a distinction between AI and automation, which are often confused with one another. Although they work together, automation creates huge databases, while AI understands and manipulates them. Moreover, these computers learn from experience, as humans do, and they gather experience from data. The learning takes place in supervised and unsupervised environments: "supervised learning involves continually testing the bot with the data you have labelled with answers, until they can get it right with new data; [and] unsupervised learning involves asking the bot to come up with its own answers or patterns based on the data you provide" (Dudgeon, 2018)

Within supervised and unsupervised environments of learning, there are several approaches to training algorithms or bots such as decision trees, decision forests and neural networks. A decision tree is when the bot applies the various formulas in sequence until it identifies all the models. But, when things become more complicated for the bot in making accurate predictions, you can add more trees — creating a “decision forest”. This requires large amounts of data (Dudgeon, 2018).

In the case of neural networks, the machine learns through neurons that simulate human neurons. In humans, neurons are electrical and chemical. But in bots, they are mathematical. The machine gets data from the input layer and the output layer will have the machine’s answers. In the middle, there are hidden layers. If there are one or two hidden layers this is called a “simple neural network”. But if there are many hidden layers it is called a “deep-learning neural network.” The images below illustrate these networks.

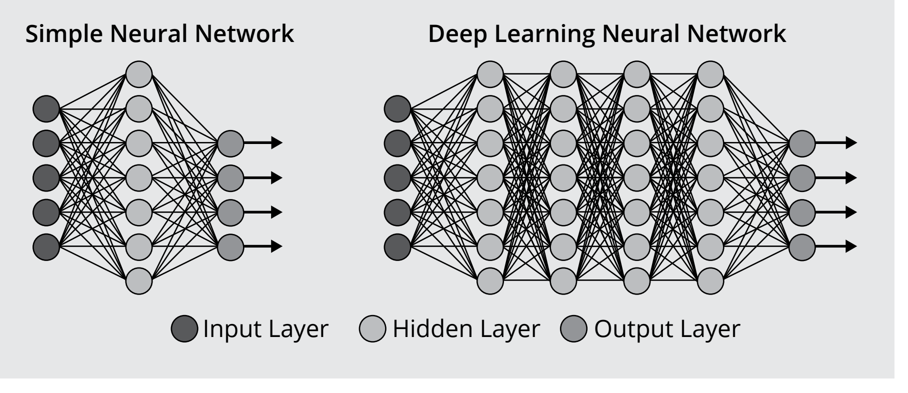

Figure 4 *Difference between Neural Networks (Courtesy: RBC, Inc.)*

In sum, machine learning involves adjusting the weights and biases to increase your chances of getting the right answer at the end. Dudgeon (2018) compares this process to the way one adjusts the radio dial to find the clearest frequency for the station one wants to listen to. The difference is that there are tens of thousands of dials. Therefore, it takes a lot of effort to tune properly, requires masses of data, and they are difficult to debug. But in 2018, quantum technicians and computer developers started using quantum algorithms to improve machine learning and reduce training errors (Roell, 2018). Despite these challenges, AI computers offer unparalleled accuracy for image recognition and natural language processing. They also suggest relevant content for sites such as Google, YouTube, Spotify, etc.

Three Levels of AI

The term artificial intelligence, due to its broad nature, can lead to a misrepresentation of the type of AI that we interact with today. There are three levels of artificial intelligence: artificial narrow intelligence (ANI), artificial general intelligence (AGI) and artificial super intelligence (ASI).

Artificial Narrow Intelligence

Artificial narrow intelligence is the first level of AI and is programmed to perform a single task in real time and use information from a specific dataset. The most common tasks performed by ANI include checking the weather, playing chess, or analysing raw data to write journalistic reports (Jajal, 2018). ANI is also known as "weak" AI because "these machines are nowhere close to having human-like intelligence. They lack the self-awareness, consciousness, and genuine intelligence to match human intelligence. In other words, they can't think for themselves" (Strelkova & Pasichnyk, 2017). Moreover, ANI is in technologies we use every day. For example, we use Google Assistant, Google Translate, Siri, and other natural language processing tools, which are examples of narrow AI. Although these technologies are complex, they are still considered weak or narrow, but can be addictive and pervasive. The self-driving car is also classified as weak AI, but its case is different to other technologies in this category because it is made up of multiple ANI systems. What is more important about ANI systems is that they can process data and complete tasks at a significantly faster rate than any human being can, which has enabled us to improve our overall productivity, efficiency, and quality of life (Jajal, 2018).

Artificial General Intelligence

General or "strong" AI describes real intelligent systems. "Real intelligent systems possess ability to think generally, to take decisions irrespective of any previous training, here decisions are made based on what they've learnt on their own" (Prasanna, 2018). In addition, Prasanna (2018) argues that it can be difficult to design such systems as the technology of today is somewhat limited. He prefers to call such systems "partial AGI". On the other hand, Jajal (2018) claims that AGI passes the intelligence level of a human, meaning that it can reason, plan, solve problems, think abstractly, comprehend complex ideas, learn quickly, and learn from experience (Jajal, 2018). AGI is seen in sci-fi movies, in which humans interact with machines and operate systems that are conscious, responsive, and driven by emotion and self-awareness.

Artificial Super Intelligence

Artificial super intelligence refers to an intellect that surpasses human intelligence in scientific creativity, general wisdom and social skills. David Tal in his article “How we'll create the first Artificial Superintelligence,” claims that ASI was forecast during WWII when the Allies, through an invention of the late Alan Turing, built a revolutionary new tool called the British Bombe, an electromechanical device that finally deciphered the Nazis' secret code, and ultimately helped them win the war. J. Good, a British mathematician and cryptologist who worked alongside Turing, wrote:

> ***Let an ultraintelligent machine be defined as a machine that can far surpass all the intellectual activities of any man however clever. Since the design of machines is one of these intellectual activities, an ultraintelligent machine could design even better machines; there would then unquestionably be an “intelligence explosion,” and the intelligence of man would be left far behind... Thus, the first ultraintelligent machine is the last invention that man need ever make, provided that the machine is docile enough to tell us how to keep it under control (Good, 1965 in Tal, 2018).***

Tal (2018) explains that this passage by Good first identified ASI as an intellect that has never existed before in nature, and he described this as an “intelligence explosion”. While for the allies the British Bombe helped them win the war against the Nazis, if ASI really does happen, Strelkova and Pasichnyk (2017) anticipate that it could either bring a better life or it could mean the end of humanity. They further argue that the outcome of ASI is extreme and permanent.

AI Technology in global media houses

The use of AI technologies in media houses to gather, distribute, and publish content has different kinds of labels. One term embracing it broadly is “computational journalism”, which is described as “the combination of algorithms, data, and knowledge from the social sciences to supplement the accountability function of journalism” (Hamilton & Turner, 2009). Other terms are “robot journalism” (Clerwall, 2014; Dawson, 2010; van Dalen, 2012), “augmented journalism” (Underwood, 2017), as well as “automated content” and “algorithmic news” (Anderson, 2013; Bunz, 2010; Levy, 2012).

In 2013, news department managers at Associated Press (AP) proposed to their business colleagues the integration of AI technologies in their department. For many journalists, it may seem ironic that AP journalists were prepared to hand in some of their work to robots. After acquiring the needed technology, they automated the production of narrative text stories directly from data, first in sports and, soon thereafter, for corporate earnings reports (Marconi & Siegman, 2017). From their experience, AP found integrating AI to their news department very beneficial:

> ***Streamlining workflows, taking out grunt work, crunching more data, digging out insights and generating additional outputs are just a few of the mega-wins that have resulted from putting smart machines to work in the service of AP's journalism (Marconi & Siegman, 2017).***

AP journalists also found three principal concerns associated with augmented journalism: "the risks inherent in unchecked algorithmic news generation, the potential for workflow disruptions and the growing gap in skill sets required to manage this new specialty area" (}ai [1] in Marconi & Siegman, 2017). Since the AP began using algorithms to produce automated earnings reports in 2014, it estimated that this freed up 20% of journalists' time (}ai in Marconi & Siegman, 2017). This allowed reporters to do more complex and qualitative work, which AP considers to be a big gain for their business.

Emerj, a source for market research and competitive intelligence for the business applications of artificial intelligence, conducted research on eight reputable media houses that use AI. These included the BBC, Reuters, New York Times, Washington Post, Yahoo, AP and Quartz Digital News. Based on their findings (see table below), Emerj concluded that "AI does have a place in the newsroom for helping to save time and money and increase speed and efficiency to help human journalists keep up with the ever-expanding scale of global news media" (Underwood, 2019).

In June 2017, the Tow Centre for Digital Journalism and the Brown Institute for Media Innovation had a policy exchange forum where technologists and journalists discussed how artificial intelligence is affecting newsrooms and how it can be better adapted to the field of journalism. They explored questions such as: How can journalists use AI to assist the reporting process? Which newsroom roles might AI replace? What are some areas of AI that news organisations have yet to capitalise on? Will AI eventually be a part of the presentation of every

Table 1 *Emerj findings on AI use by media houses*

BBC News Labs	Use data extraction tool Juicer.
Reuters	Uses data visualisation tools
NYT	The Post has been experimenting with automated news writing (sometimes referred to as “robot journalism” or simply “automated journalism”) using Heliograf smart software
Washington Post	“Robot journalism” sports and finance stories.
Yahoo	Uses natural language generation tools
AP	The Associated Press began using AI for the creation of news content in 2013 to draw data and produce sport and earnings reports. These days the AP newsroom uses NewsWhip to keep ahead of trending news stories on social media such as Twitter, Facebook, Pinterest, and LinkedIn.
Quartz Digital News	Quartz has a Bot Studio to create a set of automated tools for journalists. Users text in with questions about news events, people, or places, and the app replies with content that it believes will be relevant for them.
The Guardian	The Guardian launched its Chatbot via Facebook. To save time scrolling through or searching for news stories, the chatbot allows users to pick from US, UK and Australian versions of Guardian News and choose from a 6am, 7am or 8am delivery times, and will deliver selected news stories every day via Facebook Messenger.

news story? (Hansen, Roca-Sales, Keegan, & King, 2017). Findings from this forum were the following:

- AI tools can help journalists tell new kinds of stories that were previously too resource-impractical or technically out of reach. While AI may transform the journalism profession, it will enhance, rather than replace, journalists’ work. In fact, for AI to be used properly, it is essential that humans stay in the loop.

- There is both a knowledge gap and a communication gap between technologists designing AI and journalists using it that may lead to journalistic malpractice.
- Readers deserve to be given a transparent methodology of how AI tools were used to perform an analysis, identify a pattern, or report a finding in a story.
- While the intersection of AI and data offers new kinds of opportunities for reader engagement, monetization, and news feed personalisation, with this comes the challenge of finding a balance between creating echo chambers and remaining committed to journalism's public service mission.
- Ethical use and disclosure of data (how information from users is collected, stored, used, analysed, and shared) is a fundamental issue that journalists need to confront.
- The potential for AI to augment the work of the human data journalist holds great promise, but open access to data remains a challenge.
- Artificial intelligence is unpredictable; we don't feel all that confident predicting where the biggest problems will crop up. Vigilance on the part of both technologists and journalists is necessary to keep these systems in check."

From these findings, journalists currently using AI to assist their reporting significant potential to enhance their work. They see how AI might replace newsroom roles without taking over journalists' work. Despite knowing that AI and data create new opportunities for reader engagement, monetization, and news feed personalisation, there are ethical concerns regarding data disclosure. Also, it is very important the finding on the knowledge and communication gaps between technologists designing AI and journalists. This would have to be addressed by journalism schools, which would need to include relevant subjects in journalism curricula around the world.

News agencies across Europe are also starting to adopt AI, mainly in sports reporting and financial news. However, their technology is not as sophisticated as that which is available in news agencies in the United States. As part of his Reuters Institute Fellowship at the University of Oxford, Alexander Fanta investigated the use of AI in news agencies across Europe and surveyed 15 news agencies. Although the data gathered in his research is somewhat incomplete due to a lack of responses, it gives important information regarding the use of AI by European news agencies. His key findings revealed that nine out of 15 agencies used “some form of automated text creation. Two others say they are working on automation projects. Lusa of Portugal experimented with automated reporting for the 2015 Portuguese parliamentary election but has not used the technology since […]. Three news agencies, CTK of Czechia, Efe of Spain and Ansa of Italy, say they do not use any form of automation”(Fanta, 2017). In addition, findings showed that the most common fields of use for robot journalists are in sports and finance (7 out of 9 agencies). They also write about “election results as well as official figures on education, unemployment and real estate. These are usually dependent on official sources providing figures in an easily usable format” (Fanta, 2017). Other interesting findings from this research are that 8 out of 9 agencies use a natural language generation (NLG) application and that “a versioning tool developed by Dutch news agency ANP is a bot that rewrites human stories into more simple language for the wire services’ Kids Feed” (Fanta, 2017).

From Fanta’s study one can sense that EU news agencies are not as fast in adopting AI as their Americans counterparts. Reasons for this could be access to capital and capacity. But it could also be a caution. The fact that in Europe news agencies mainly use AI for finance and sports is that they do not present a big risk of being erroneous. This is also suggested by comments from Maija Lappalainen of the Finnish news agency, that “in sports you have the rules, you know this is the winner, this is the loser, and this is what happened. It is kind of an easy way to start with”(Lappalaine, M. in Fanta, 2017).

In Africa, most countries are not using AI technologies in their newsrooms yet. However, AI is under discussion. In an article published by the African School on internet governance, “Artificial intelligence: Where is Africa in the conversation?”, Chair says that in Africa “we need more robust research to better shape the discussion of where Africa stands with regard to emerging technologies” (Chair, 2018). Presently, only a few African governments are engaged in AI research and use. As such, African countries still need to explore how AI would impact positively on newsrooms, education, financial and government services, and improve agricultural practices. Although Africa has just started exploring the uses and benefits of AI, Microsoft argues that “the continent has the potential to catch up with the rest of world … To play catch up, we must take advantage of our best and most powerful resource — our human capital” (Hoosen, 2018). Microsoft bases this argument on the fact that, according to the World Economic Forum’s 2017 Human Capital Index, more than 60% of the population in sub-Saharan Africa is under the age of 25, and therefore capable of taking

Africa into a digital revolution by staying ahead with new trends and technology.

In December 2018 UNESCO, in partnership with the Mohammed VI Polytechnic University, hosted a high-level Forum on Artificial Intelligence in Africa, in Benguérir, Morocco. The main objective of this forum was to discuss the issues and challenges related to the development and use of artificial intelligence in Africa, and to ensure they achieve the following results:

- Promote artificial intelligence in Africa as a lever for development
- Encourage regional African cooperation and promote an ethical framework for artificial intelligence on the African continent
- Influence national strategies that maximise the potential of AI in Africa
- Establish an African Forum of Artificial Intelligence Associations in Africa

— *(Forum on Artificial Intelligence in Africa, 2018)*

According to UNESCO, AI development is taking place in Kenya, Nigeria, Rwanda and South Africa, which are the main technological champions in Africa. The reasons given for this uneven development of AI in Africa is "the lack of quality education and of an education that is universally accessible in (STEM); lack of gender equality and women's economic empowerment, and, the lack of public policies that promote research, entrepreneurship and open data in a regulated environment" *(Forum on Artificial Intelligence in Africa, 2018)*.

In sum, one can say that AI technologies are evolving than they can be adopted. Although countries like the United States are taking the lead on the use of AI in their newsrooms, many Europeans and most African countries are still exploring and discussing the adoption of AI tools in news agencies.

Benefits of AI for journalists

The benefits of AI for journalists will be presented according to the elements listed in the journalism AI value chain presented at the World Economic Forum during an expert interview with representatives from AP, Digital Reasoning and Automated insights. The value chain starts with content creation or collection, then goes to processing and editing, and ends with distribution. In this value chain, experts believe that there are three ways that AI is changing the practice of journalism for the best. These are automating routine reporting, providing faster insight, and lowering barriers to entry (World Economic Forum, 2017). For example, automated reporting, increased coverage, trading activity and market liquidity, and thus strengthening the market.

In 2014, Associated Press (AP) began using algorithms to write media articles about firms' earnings announcements. These "robo-journalism" articles synthesise information from firms' press releases, analyst reports, and stock performance, and are widely disseminated by major news outlets a few hours after the earnings release (Blankespoor, 2017). As a result, Associated Press was able to expand the number of companies it reported on from 300 to 4000 using AI to generate reports on corporate earnings (World Economic Forum, 2017). Yahoo has previously reported that by generating content (articles, reports, emails) with data from specific sports teams (or fantasy sports teams) it can kill two birds with one stone: it draws in readers for longer sessions with customised, rich content (based on sports data); and its advertisers eagerly look for engaging material and are willing to spend more on ads that will gain more exposure for more time with more users (Underwood, 2019).

Furthermore, AI helps to provide faster insight because it can instantaneously react to real-time data with the outlines of a story. This allows news agencies to produce quarterly reports as well as performance and attribution reports released by large mutual funds in a matter of seconds. Without the use of AI, this task "used to take weeks of effort by a small team of portfolio managers to draft" (World Economic Forum, 2017), but now it can be done in seconds. In 2016, Reuters partnered with semantic technology company Graphiq. This AI tool provides news publishers with a wide range of free interactive data visualisations on different topics, including entertainment, sport and news. Data can be accessed via Reuters Open Media Express and once embedded on a publisher's website, the data visualisations are updated in real time (Underwood, 2019).

According to Francesco Marconi, AP's co-lead on AI, "The market is oversupplied with content, and the only way to compete is to deliver more and better at the same time. Publishers can get volume through automation and quality through augmentation, which can help distinguish content from other providers." Therefore, AI can lower barriers to entry by reducing the human element in the content creation process without eliminating the need for reporters. For example, AI technology allows journalists to create short videos from text in seconds or collect information from on-the-ground sources.

Moreover, smaller news companies could compete with large newsrooms if they use AI effectively. A good illustration of this is a 12-minute, data-driven video about the impact of drought in Turkana, an impoverished and isolated region of northern Kenya. This piece was aired by Kenyan broadcaster NTV in January 2014 and it was so effective that before it finished airing, phone calls from viewers flooded NTV, and within hours the station had set up a relief fund for Turkana County which raised KES 1.2 million ($14,000). This video used personal stories with government data to show the effect that intense and frequent drought-related famines have on childhood malnutrition. Jeanne Burgault, president and CEO of Internews, a non-profit organisation that supports data journalism around the world, said, "This story offers clear proof that open data has the potential to drive positive social change, and that data-journalists can be key to creating the stories that bring that data to life for a community and for policy makers" (Bourgault, 2015). However, she also admits that it is not easy because data journalism requires a new set of skills.

Concerns and Ethical Considerations of AI

According to Elsevier in its publication *"Artificial Intelligence: How knowledge is created, transferred, and used Trends in China, Europe, and the United States"*, AI experts have suggested that the public debate around ethics and AI should be discussed under three headings: the purpose of AI; the ways i which beliefs, desire, and intentions can be incorporated into AI; and, the abuse of AI. They agree that, despite existing data on ethics, there is a need for a deeper dialogue and investigation into ethical aspects of AI for a comprehensive view and understanding of the field (Elsevier, n.d.). This section includes examples of research initiatives in the US, UK and Africa. These look for answers and suggest possible solutions regarding the different ethical concerns surrounding AI.

In 2017, the International Centre for Journalists conducted the first-ever global study that surveyed more than 2700 journalists and newsroom managers to see how news organisations are adapting to the digital age. The findings of this study revealed that journalists are not keeping pace with technology. For example, the report highlights the fact that journalists are using a limited range of digital skills (4 of 23 surveyed). It also shows that newsrooms are not doing enough to secure their communications because they are not using encryption. Another important finding is that there is a gap between the digital skills journalists want and what their newsrooms provide (ICFJ, 2019).

Microsoft President Brad Smith and the EVP of AI and Research, Harry Shum, have put forward an interesting proposal to prepare the future generation of journalists with adequate skills. They believe that journalists need more knowledge and skills than digital and data science. They believe that:

> ***At one level, AI will require that even more people specialise in digital skills and data science. But skilling-up for an AI-powered world involves more than science, technology, engineering and math. As computers behave more like humans, the social sciences and humanities will become even more important. Languages, art, history, economics, ethics, philosophy, psychology and human development courses can teach critical, philosophical and ethics-based skills that will be instrumental in the development and management of AI solutions (Hoosen, 2018).***

What it is very important to note from this quote is the role of humanities in the development of AI solutions. With the beginning of the digital revolution, the humanities lost their popularity not only among prospective university students but also among university management. Many universities closed their faculties of humanities, and others that continued to exist had to make do with smaller budgets for research and development. For example, in Japan, 26 of 60 humanities faculties confirmed that they will either close or scale back their relevant faculties at the behest of Japan's government (Grove, 2015). This situation was similar in the US and the UK. An article published by the New Republican explains how in "Public universities have undergone a sea change in the past quarter century, as state funding has been steadily, and at times precipitously, withdrawn. Universities, in turn, have come to value especially those programs that can generate revenue through alumni donations, external grants, or tuition. Under this new business model, humanities programs suffer in general" (Hunter, Gordon and Mohamed, 2013). Unlike the institutions mentioned here, Stanford University is already implementing Smith and Shum's forward-thinking approach. The university offers a programme called CS+X, which integrates its computer science degree with humanities degrees, resulting in a Bachelor of Arts and Science qualification (Hoosen, 2018).

Another real concern about AI is the loss of employment and people becoming unemployable. This fear is related to the skills gap discussed above, and it is not unfounded, especially in Africa, where it is predicted that 41% of all work activities in South Africa are susceptible to automation, as are 44% in Ethiopia, 46% in Nigeria and 52% in Kenya (World Economic Forum, 2017). Besides journalism, other sectors that will be affected by automation are transportation, ecommerce, the legal profession, financial services, insurance, and any other sector requiring a significant amount of data processing and content handling (Krasadakis, 2018). So, to be prepared for these changes, there is a great need for educational reforms and curriculum reviews which include subjects that address the skills gap and lead to the graduation of an employable workforce.

The World Economic Forum's Africa Skills Initiative, in its 2017 report, says that "Africa's educators should design future-ready curricula that encourage critical thinking, creativity and emotional intelligence as well as accelerate acquisition of digital and STEM skills to match the way people will work and collaborate in the Fourth Industrial Revolution" (Krasadakis, 2018). This accords with Smith and Shum's thinking on the importance of combining humanities, data science and STEM subjects to prepare graduates adequately for the new job market's demands.

When looking at concerns regarding governance, the most common are related to copyright and fair use, as well as AI ethics. Where AI ethics is concerned, news agencies and AI users in general have different opinions. For example, Tim Cook, Apple CEO, had been a vocal proponent of self-regulation of the tech industry. In an interview with news website Axios that was broadcast on HBO television, Cook said "Generally speaking, I am not a big fan of regulation, [...] I'm a big believer in the free market. But we have to admit when the free market is not working. And it hasn't worked here. I think it's inevitable that there will be some level of regulation" (N/A, 2018b). However, there is also the fear that governance and control of AI in the world might be left in the hands of a few people or organisations, which could lead to an unfair advantage to other global competitors and curb innovation. Paul Chadwick, the Guardian readers' editor, believes that to regulate AI we need new laws, not just a code of ethics. He further explains that "Technology is becoming all-pervasive — global regulations must be created to avoid an unhealthy concentration of power in too few hands" (Chadwick, 2018).

Contrary to Chadwick's view, the UK has proposed controlling AI with a code of ethics. In April 2018, the United Kingdom government published a report, commissioned by the House of Lords AI Select Committee, that contains five core principles designed to guide and inform the ethical use of AI. These principles are as follows: (1) AI should be developed for the common good and benefit of humanity; (2) AI should operate within parameters of intelligibility and fairness, and companies and organisations should improve the intelligibility of their AI systems; (3) AI should not be used to diminish the data rights or privacy of individuals, families or communities; (4) all people have the right to be educated, and should also be able to flourish mentally, emotionally and economically alongside artificial intelligence; and (5) the autonomous power to hurt, destroy or deceive human beings should never be vested in artificial intelligence (Smith, 2018).

In 2017 in the US, the Berkman Klein Centre at Harvard and the MIT Media Lab launched the Ethics and Governance of Artificial Intelligence Initiative. Like the UK initiative, this aims to support the use of AI for the public good through evidence-based research that provides guidance for decision-makers across the private and public sectors, to foster a network of interdisciplinary researchers focused on AI ethics and governance-related issues, and to strengthen relationships between industry, academia, civil society, and government. Their work is currently focused on three areas: (1) Autonomy and the State: Governments play an increasing role as both consumers and regulators of automated technologies. How is AI straining our notions of human autonomy, due process, and justice? (2) Autonomy and the Platform: How are automated technologies on social and media platforms impacting civic life and reshaping democratic norms? (3) The University — A Countervailing Force: What community-building and educational efforts can we design to preserve human autonomy in an increasingly automated world? (Harvard University, 2018a).

In South Africa a publication by the University of Pretoria, *“Artificial Intelligence for Africa: An Opportunity for Growth, Development, and Democratisation”*, mentions the lack of legal mandates or rules that can ensure the legal use of AI. Nonetheless, it lists six guiding principles that should be taken into account during ethical debates: (1) Fairness — AI systems should treat all people fairly; (2) Reliability — AI systems should perform reliably and safely; (3) Privacy and Security — AI systems should be secure and respect privacy; (4) Inclusivity — AI systems should empower everyone and engage people; (5) Transparency — AI systems should be understandable; and (6) Accountability — AI systems should be accountable.

All in all, research initiatives such as the ones discussed in this section have similar ideas on how to ensure that AI is used in an ethical manner. However, there are still no clear regulations for AI ethics. Research on AI and ethics continues around the world, so there should soon be a clear view of, and approach to, ethics, which will lead to laws or codes of ethics being formulated to regulate AI locally and globally

Conclusion

This chapter provided a short historical background on the origins of AI. Then it introduced the different names given to forms of journalism that use computers with sophisticated artificial intelligence (AI) capabilities to collect, distribute, and publish content. These names included “computational journalism”, “robot or automated journalism", and "augmented journalism". Then it explained basic concepts of machine learning in supervised and unsupervised environments and described the technology employed in media houses around the world. Besides the new tools of journalism, the chapter discussed AI benefits for the collection, processing and distribution of journalistic content, such as research that is less time-consuming, big data that is easier to collect, and data that can be cross-referenced for accuracy. It also examined concerns regarding machine learning algorithms or bots and their susceptibility to biases and errors and considered ethical issues inherent in journalism's use of AI. And although the benefits of AI in the newsrooms are manifold, AI innovation has developed faster than public policy or ethical considerations, not to mention journalists, have been able to keep up with. Nevertheless, journalism schools need to keep up with these innovations and incorporate them into their curricula. This might require us to seek the assistance of computer science academics, not only for curriculum development but also for teaching and resource sharing as part of our research endeavours.

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Endnotes

1 Written by a robot

8

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Seventy years of University Education in Nigeria:
The State of Business and Economics Journalism Education

Abstract

Business journalism, a specialised branch of journalism that focuses on tracking records and analysing as well as interpreting the business, economic and financial activities and changes that take place in societies, has recently become a global attraction. This specialised area of reporting has equally provided the basis for the establishment and sustainability of specialised newspapers, especially business newspapers. Indeed, there is a significant desire for journalists with specialised skills in not only reporting business/ economic news, feature articles about people, places and events and other issues related to the business sector, but also in the continuity of business. Thus, there is a high need for journalists who can fulfil these roles, especially in Nigeria.

However, this sudden realisation has led to the expansion in not only the number of institutions offering this specialised course, but also in the platform in which this specialised course is realised. However, from a preliminary survey, institutions which offer this specialised course do so under various headings, such as *Economics of News Reporting, Reporting Political Economy*, while a few others subsume it under *Specialised Reporting*. Yet others do not have any course designed to cater for the needs of the students in this area. However, there appears to be a sudden recognition of floating a course specifically designed; hence, it is being accommodated in the curriculum review in some of the institutions under study.

This chapter, therefore, through a survey, seeks to examine the institutional and regional rendition of this course within the Communication and Language Arts programme. The study is further aimed at examining how such a rendition impacts the question of standardisation and harmonisation in teaching this course. It also focuses on implications for quality and regional/global standardisation since the economy/business reflects standard and global manifestations which institutional peculiarities and variations might not be able to significantly address. This study, however, becomes very significant, especially at the turn of the 70 years of the University of Ibadan and the Department of Communication and Language Arts' 43 years as global contributors to human resources capital development.

Introduction

The growth of the media sector in Nigeria over the last decade has necessitated a major demand for the training of journalists and other media practitioners. This demand has created an upsurge in the number of journalism and communications training institutions and programmes in Nigeria.

Business journalism, a specialised branch of journalism that focuses on tracking records, analyses as well as interprets the business, economic and financial activities and changes that take place in societies and has recently become a global attraction. Terri Thompson, the Director of Knight-Bagehot Fellowship Graduate School of Journalism, Columbia University, while underscoring the importance of business journalism, noted that, "News about business, economics and finance is going through one of the most dynamic, momentous and exciting periods in history." He furthers observed that the "grist for endless stories, and … the need for a well-educated business press has never been greater."

This specialised area of reporting has equally provided the basis for the establishment and sustainability of specialised newspapers, especially business newspapers. With this, there is a significant desire for journalists with specialised skills in not only reporting business/economic news, feature articles about people, places and events and other issues related to the business sector, but also in the continuity of business. Thus, there is a high need for journalists who can fulfil these roles in Nigeria. Stephen D Solomon, Director, MA Programme in Business and Economic Reporting, Arthur L Carter Journalism Institute, New York University, expressed the need for a dynamic journalist who can assist readers in making sense of the world around them. According to him, "business reporting has burst well beyond the traditional business pages. Many of the most important and contentious issues debated today — among them, taxation, trade agreement, environmental policy, immigration policy, Brexit and the problem that has arisen in America and Europe — involve not only politics but also business and economics — enables journalists to cover critical stories with both precision and depth and in so doing, they help their readers make sense of the world."

In the same vein, Andrew Leckey, Donald W Reynolds Endowed Chair in Business Journalism, Walter Cronkite School of Journalism and Mass Communication, Arizona State University, discussed the peculiar role of the business journalist, especially within the context of job opportunities, friendliness with the environment, crime, education and governance. According to him, "Business journalists act as the watchdogs against the increasing influence of the biggest organisations in society and corporations. Business journalists are the ones that tell us what companies are hiring and which ones are taking care of the environment and which ones are not. Even if you are not interested in Business Journalism as a career, the skills of a business journalist are used across all the beats, from crime to education to government."

Yet in another development, Jeffrey Rutenbeck, Professor and Dean, School of Communication, American University, reiterated the global importance and impact of business journalism. According to him, "In a swirling storm of media disruption, business reporting has emerged as a beacon of best practices. From fundamental daily coverage to long-form investigative work, we are seeing more of business reporters breaking stories that are not just our economy, but also our democracy." Underscoring the beauty and peculiarity of business reporting, James T Hamilton, Hearst Professor of Communication, Director of Journalism Programme, Stanford University, reiterated that, "Business reporting offers the chance to combine the best of data journalism and storytelling. Doing both of these things well allows you to discover stories that others cannot see and tell in more personalized and engaging way. There is strong demand for business journalists because they help meet the information demands of consumers in search of producers, workers seeking data and audience members who value intriguing stories."

Consequently, this chapter examines the institutional rendition of the course, Business/Economics Journalism, within the Communication and Language Arts (CLA) programme, focusing on the implications for quality and standardisation since the economy/business reflects standard and global manifestations which institutional peculiarities and variations might not be able to significantly address.

University of Ibadan: A History

The University College, Ibadan, was founded in 1948. At first, it occupied the old site previously used by the 56th Military General Hospital, about eight kilometres away from its current location. The current site covers over 1032 hectares generously leased by the chiefs and people of Ibadan for 999 years. With equipment transferred from Yaba Higher College, the 104 foundation students (including 49 students in teacher training and survey courses) began their courses at Ibadan, on 18th January 1948. However, the formal opening took place on 25th March 1948. In February 1948, London University allowed Ibadan into its special relationship scheme. Arthur Creech Jones, then British Secretary of State for the Colonies, and an influential member of the Elliot Commission, turned the first sod at the permanent site of the university college, on 17th November 1948, which became the university's foundation day.

The University of Ibadan offered courses initially in the Arts, Education, and Medicine. Other disciplines emerged thereafter.

Department of Communication and Language Arts: Background information.

The Department of Communication and Language Arts came into existence on the 1st of July 1975 as a result of the decision of the academic board within the Faculty of Arts.

The Reading Centre, which gave birth to the new department, was first established during the 1964/65 session, with the following objectives:

(i) To advise first-year students on methods of study; to improve their speed of English reading and comprehension, and to continue assistance for students in other years who felt the need for special help in this field.

(ii) To carry out research into ways of improving the teaching of English readings of Nigerian students.

(iii) To train Nigerian personnel as reading specialists.

(iv) To act as a resource and guidance centre for institutions concerned with improving the teaching of English reading in schools.

During its five years of existence, the centre's resources were devoted to the achievement of the first and the second sets of objectives. In subsequent years, the centre's objectives were broadened and its resources expanded not only to meet the requirements of developmental, remedial and rapid reading, but also to take care of related language skills (listening comprehension, speech and writing) and communication arts.

In the 1987/88 session, the department's name changed to *Communication and Language Arts* in order to reflect more properly the scope of its services in providing training in communication skills for the individual's social, professional and intellectual growth.

The conversion of the centre from a teaching support unit to a degree-awarding department after ten years of existence was a very significant change in the development and study of Language Arts as an academic discipline in this university. In addition, its subsequent broadening to encourage communication arts has made it even more relevant to the country's communication needs and consequently a very popular and attractive course of study.

The Department of Communication and Language Arts is designed to provide training in communication skills needed in a variety of settings: interpersonal, group, organisational, cross-cultural, mass communication, instructional and business/economics journalism. It offers a sequence of courses that provide the student with a firm academic foundation while also ensuring opportunities for skills development and the acquisition of practical experience in the various areas of communication. In addition, the Department of Communication and Language Arts is expected to generate new academic and extra-curricular activities.

Teaching Business Journalism

The growth of Nigeria's business, financial and economics press has witnessed a very significant upsurge in the last ten years, with depth in language use and quality of personnel. Sesebo (2005) acknowledged that these qualities have moved faster than other areas of Nigerian journalism. Print journalism in Nigeria has moved beyond the mere devotion of scanty newspaper pages to financial/business reportage to the outright creation of specialised newspapers in financial/economic/business journalism matters. However, one significant issue in sustaining this trend lies in adequate manpower resources. Reporters who cover business, economic and financial issues, apart from being very few, were also drawn from the pool of general beat reporters. There was no specialisation. The same reporter, according to Sesebo (2005), was expected to cover the full spectrum of financial journalism. In the same vein, the quality of human resources was significantly low. Most reporters were graduates of different disciplines apart from Journalism, Communication Arts, Mass Communication, Media Studies and Communication and Language Arts.

However, financial/economic/business journalism from the 1990s witnessed a significant growth rate. This sudden change was a consequence of the economic policies of the then military President, General Ibrahim Babangida, whose government introduced the liberalisation and privatisation of the nation's economy. Many significant actors were allowed to actively participate. From the banking sector, the financial press became of prime significance. A couple of general interest newspapers established financial/economics/business tabloids to focus on the shift in government economic policies. For example, *ThisDay, The Daily Times*, and *The Guardian* floated these specialised newspapers apart from the regular allotment of pages in the general interest daily newspapers. The following are some examples of the specialised newspapers in Nigeria: *Financial Nigeria, Financial Times, Financial Quest, Banking and Finance Archives, Business Day, Guardian Express, Business Times, Financial Nigeria Magazine, The Economy, Economic Confidential Nigeria*, and *Business Journal*. Financial blogs include *My Naira Journey, Nairametrics, Business Day Online, Nairabarter Blog, Invest Advocate*, and *Finance NGR Investment Blogs Nigeria*.

For the media, the money market thus had become an important segment to be reported. Consequently, this brings to the fore the responsibility of the press to adequately meet this challenge. This brings into question the foundation in the training of a financial journalist. This paper explores the foundation in training of the financial journalist and how the institutions design their curricula to meet these challenges. Consequently, this researcher sampled some selected institutions and how business/economics/financial Journalism is accommodated in their curricula. To address the issue of curricula and identified gaps, KAS Media Africa, from 2014, invited 14 media educators for a workshop in Johannesburg on the need for African media educators to focus on business/economic journalism in their curricula. The Director of KAS Media Africa, in the foreword in the manual on *Basic Economics for Journalists*, underscored the importance of business/economics journalism as a specialised area of study in journalism and media education in Africa. According to him, *"Journalists play an important role in working democracies, acting as watchdogs and whistleblowers, but for them to effectively uncover corruption, fraud and exploitation, it is vital that they have the necessary understanding of business and economics. As the continent's private sector grows, this has also fueled the need for useful business information — and consequently journalists trained to effectively provide not only the facts but also the context and significance of developments.*

Sadly, despite the pressing need — and perhaps even better career prospects — business journalism is still regarded as an unpopular specialisation in Africa. In part, this could be due to a shortage of appropriate training opportunities in the area. KAS has, therefore, resolved to support the development of business and economics journalism courses on the continent and has been working with a dozen African journalism schools organising "train the trainer" workshops focused on what should be taught and how it should be taught.

By 2019, KAS Media Africa aims to have assisted with the implementation of customised business reporting curricula in the faculties of the partner universities, with the aim of enabling a new generation of journalists with comprehensive economic-specific training.

In addition to this rather ambitious project, KAS Media Africa is also dedicated to improving self-learning materials on business journalism. This booklet was developed in 2016 as a supplementary chapter for the Investigative Journalism Manual (www.ijm-africa.com). It aims to provide young journalists with a better understanding of the workings of finance and the economy.

It is intended as an introduction to basic concepts, and after reading through it, students should be able to:

- *locate or find financial and economic data and source indicators, such as inflation, gross domestic product and unemployment, and interpret them to write articles;*
- *differentiate between monetary and fiscal policy, and the role of these in the economy;*

- *understand some of the issues around trade;*
- *understand some of the main issues around banking and access to financial products for economic development;*
- *have a knowledge of basic terms for writing about companies and markets;*
- *understand the relative roles of the public and private sectors in the economy;*
- *locate or find statistical indicators for country comparisons;*
- *have an overview of the institutions that regulate the economy and financial sector; and*
- *handle the kind of calculations needed to be able to report accurately."*

KAS Media Africa since then has been facilitating yearly meetings with media educators across institutions in Africa tailored towards the design and harmonisation of curricula in business/economics journalism in Africa. This was followed up by a memorandum of understanding signed between the participating institutions and KAS Media Africa.

University Matriculation Examination Brochure

The issue of domicile is one key area which the body overseeing university education has had to grapple with. In recent times, the Department of Mass Communication had to be relocated to the Faculty of Social/Management Sciences in some federal, state and rural universities. Eight universities, out of the 165 in Nigeria, offer communication/journalism training in the Faculty of Arts/Humanities, while a significant number have the department located within the Faculty of Social/Management Sciences. However, only one of the universities runs a school/college system, a system which the Association of Communication Scholars and Professionals in Nigeria (ASCPN) has proposed for adoption to the NUC (ASCPN 2017).

Despite its location in the Faculty of Arts, the Department of Communication and Language Arts has remained the flagship of communication/journalism training in Nigeria and other countries in Africa and the world. It has a very noble undergraduate programme. It also offers both academic and professional Master's degree programmes, the most highly subscribed at present, while its M.Phil and PhD programmes are attractions to most lecturers in a sizeable number of universities in Nigeria. From available records, the department has graduated 1775 Bachelor of Arts, 789 Master of Arts, 760 Master of Communication Arts, 3 M.Phil and 81 PhD students since it started. The department has also had PhD students from Ghana and two MA and MCA students from Cameroon and Sierra Leone. All the programmes run by the department also have full accreditation status by the Nigerian Universities Commission (NUC), the Advertising Practitioners Council of Nigeria (APCON), and the Certified Marketing Communication Institute of Nigeria (CMCIN).

The department is also a UNESCO potential Centre of Reference. This recognition has put the department into the global spotlight. The department's computer laboratory benefitted through the assistance of the UNESCO office in Nigeria. Furthermore, the department attended for the first time in 2009, and subsequent times, the Highway Africa Summit, held in South Africa.

One of the principal and significant recommendations for successful undergraduate and post-graduate programmes lies in a practical internship programme. "A practical internship programme was required for all undergraduates in the third year of their four-year programme. Students enrolled for the Masters in Communication Arts Degree are required to secure a 3-6 months internship with a professional media organization." (Ogundimu, Oyewo & Adegoke 2007: 18).

Methodology

A total of 17 universities were randomly selected to determine the nature, description and course code of business/economic journalism. The universities include a UNESCO centre of excellence, the University of Lagos, the Department of Mass Communication; and a potential Centre of Reference, the University of Ibadan, and the Department of Communication and Language Arts. Others institutions are the first university in Northern Nigeria, Ahmadu Bello University, Zaria; Lagos State University, Ojo, Lagos; Olabisi Onabanjo University, Ago Iwoye; Covenant University, Ota, Ogun State; National Open University; University of Ilorin; Ajayi Crowther, University, Oyo; Crescent University, Abeokuta; Chrisland University, Abeokuta; Lead City University, Ibadan;

Redeemers University, Ede; Fountain University Oshogbo; Adekunle Ajasin University, Akungba, Ondo State; and Delta State University, Abraka.

At the University of Lagos, there is no course directly referred to as Business/Economic Journalism as described in UNESCO's model curriculum for journalism/mass communication studies. However, there are 3 courses under which business/economic journalism is accommodated. One of the courses is a prerequisite, Advanced Reporting. The other course, titled Economics News Reporting, provides a platform for teaching business/economic reporting. The third course is under one of the programme sequences, Public Relations — Financial Public Relations.

Lagos State University, Olabisi Onabanjo University, Bowen University, Covenant University, Ahmadu Bello University, the University of Ilorin, Ajayi Crowther University and others teach business/economics journalism as a beat in news reporting under the Specialised Reporting course.

Other universities, such as the National Open University of Nigeria, Crescent University, and Lead City University, teach business/economics journalism under the following courses: Economics of Mass News Reporting, Reporting Political Economy, and Economics of News Reporting respectively. However, one peculiar feature across these universities is that these courses are taught in the third year in the undergraduate programme.

Teaching Business/Economics Journalism at the University of Ibadan

Teaching journalism generally in the department was borne out of the rapid growth of the media sector and also the need to provide the manpower needed to occupy the vacancies, which the expansion created. As reflected in the abstract to this chapter, Nigeria has 165 universities, and other degree-awarding institutions recognised by the NUC. Of this number, 43 are federal-government-owned universities; 47 state-owned universities; 75 privately owned universities, as well as 112 polytechnics (public and private). Of the 112 Polytechnics in Nigeria, 38 of them offer programmes in mass communication.

According to Ogundimu et al. (2007), Nigerian training programmes have more than doubled in the past four years; there is very little available information about these programmes. Adequate as this number might seem, it leaves a big unanswered question about the quality of the training programmes.

The idea of teaching business/economic journalism in the Department of Communication and Language Arts at the University of Ibadan was precipitated by four important factors. These factors are the department's mission, vision statements, core values and aftermath of the 2014 workshop on business/economic journalism organised by KAS Media Africa in Johannesburg, South Africa. The department's vision and mission statements, as contained in the department's handbook, underscore the peculiarity of the department in becoming and being a flagship for communication studies, not only in Nigeria but globally.

Vision and Mission

The department's vision is to be a centre of excellence for training in communication skills development, while the mission is to:

- Produce students with the requisite knowledge and skills for the communication industry;
- Train students who adhere to high ethical and professional standards;
- Foster an entrepreneurial spirit in our society;
- Provide communication consultancy services as and when required; and
- Be a socially engaged training centre with high public impact

Core Values

The department's core values include:

- Integrity;
- High ethical and professional standards;
- Excellence in teaching and research;
- Respect for the worth of the individual student and staff; and
- Social responsibility to our immediate community, the nation and the world at large.

Prior to the 2017 Memorandum of Understanding between the department and KAS Media Africa, business/economic journalism was in part taught as a topic under Business/Organisational Communication in the final year of the undergraduate programme. However, the department, in line with the tenets of the MOU, has started the process of reviewing its undergraduate curriculum. Consequently, it has designed a new course, titled Business/Economic Journalism (CLA 423) in the final year, even though the department, in its review, has also provided for a specialised reporting course for the final undergraduate year. The course description is derived from UNESCO's Model Curriculum in Journalism/ Communication studies: "The course is designed with the skills and knowledge aimed at equipping the students in covering economics, financial markets, companies and industries as well as related socio-economic issues such as poverty, unemployment in the formal economy and consumer affairs. The emphasis is on explanatory reporting for the general public, culminating in an extended work of journalism in any medium especially in developing and emerging economies" (Revised Undergraduate Curriculum, 2018).

This has placed the university at large and the department in particular at a higher level in communication and journalism studies in Nigeria. This is supported in the background to the Memorandum of Understanding. According to the document,

> ***KAS Media Africa recognizes that journalists play an important role in working democracies, acting as watchdogs and whistleblowers, but for them to effectively uncover corruption, fraud and exploitation, it is vital that they have the necessary understanding of business and economics. The growth of the continent's private sector has also fueled the need for useful business information - and consequently journalists trained to effectively provide not only the facts but the context, significance and impact of developments.***
>
> ***Yet, despite the pressing need - and perhaps even better career prospects -Business Journalism is still regarded as an unpopular specialization in Africa, which could be due in part to a shortage of appropriate training opportunities in the area. KAS Media Africa has therefore resolved to support the development of Business and Economics journalism courses on the continent and has been working with select African journalism schools to develop or extend modules or courses in this field. In 2014 and 2016, KAS organised "train the trainer" workshops focused on how and what should be taught. The resulting network of academics from the journalism***

schools are charged with either developing and accrediting the business journalism curriculum or improving the current course offering. By 2019, KAS Media Africa aims to have assisted with the implementation of customised reporting curricula in the faculties of the partner universities, with the aim of enabling a new generation of journalists with comprehensive economic-specific training.

Conclusion

The Department of Communication and Language Arts has since been a principal partner of KAS, committed to the realisation of providing and producing the manpower suited and adequately equipped to meet global standards in business/economics reporting, especially on the 70th anniversary of the institution and the department's 43 years as a global contributor to human resources capital development.

In spite of the department's peculiarity observed in its nomenclature, it has consistently been at the forefront of communication studies in Nigeria and Africa. It is equally a significant part of global discussions and innovation in communication studies.

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Specialised reporting fundamentals for the business and economics journalist

A one-sentence definition cannot explain what a specialised report means. A specialised report can be identified by certain characteristics which are: *discriminate report on a segmented area, back grounding, in-depth report* and *specialised language*. Many topics covered in the print, electronic and online media hints at specialised subjects. Because of the increased public demand for more competent coverage of every segment of society and the complexities of the contemporary world situation, which are aggravated by demand on time, the need for specialised reporters becomes both exigent and overriding. However, the opponents of specialised reporting argue that it makes a reporter tend to know too much about too little. The proponents of this paradigm argue that a good reporter is one who can cover any story and do so credibly and effectively.

For specialised reporting opponents, the huge financial outlay involved in hiring these specialised reporters is unjustified and uneconomical. Given the need for a specialised approach to journalism and news editorials, the argument of the Generalist School seems not only unprogressive, but also anachronistic and conservatively misleading, in the light of some crucial factors. Rudimentary economics teaches that specialisation enhances efficiency and productivity. Specialisation is not unique to journalism.

Other professions, like law and medicine, also have their areas of specialisation. For law, some lawyers specialise in maritime law, company and allied matters, criminal law, civil law, or jurisprudence, among others. For medicine, specialisation is even more pronounced. In some advanced western nations, you must specialise before one is allowed to practice. This underscores the need for specialisation in the media industry. A cub reporter that has just left journalism school may not be able to give the required treatment to energy or budgetary issues as a financial correspondent with adequate training in financial issues or an energy correspondent will do. Therefore, the cause of specialisation in the media industry has continued to receive adequate attention in order to properly institute it in the profession and subsequently prepare reporters well to fulfil its demands.

Specialised reports are therefore regarded as in-depth, thorough, elaborate, comprehensive, discriminant and lucid reports of a specific area or field of journalistic coverage. In other words, specialised reporting is a knowledge-demanding and brain-tasking intellectual piece focusing on specific issues in specific areas of media coverage. There has been much debate about which of the two types of reporters, the specialist or the generalist, the news media should employ more of.

Who is a generalist?

In this chapter, a generalist is described as an ordinary or roving reporter, but that is loosely. The generalist knows almost everything, and his task is to get the news first and report it fast. Thus, a typical advocate of the Generalist School's position considers a good reporter to be a reporter who can be sent to cover any story and does a creditable job. For the Generalist School, "the proper stance for a good reporter is to be *a mile wide and an inch deep"*.

Who is a Specialist?

On the other hand, a specialist is a journalist who knows a lot about something and less about everything. If one reverses the Generalist School's statement, a specialist is *"a mile deep and an inch wide"*. His is a special area in which he knows the rule of the game and can interpret it to the ordinary. A specialised reporter is a special kind of correspondent who covers a particular beat for his or her media organisation. A special reporter could also be referred to as *a seasoned, professional reporter* who covers a particular beat for his organisation. A specialist is a beat reporter and is very knowledgeable in his or her area of coverage. He or she is contrasted with the generalist or roving reporter. A correspondent is usually in charge of his or her organisation's news bureau or office in major cities or towns where his organisation operates. He or she could also be in charge of subject areas or matters for his or her organisation.

In addition to other writers whose functions can be varied, a great news medium retains many specialists on its staff. The reporter and editors are concerned with news; the specialist handles one subject intensively. The following is an array of named subjects on which specialists are regularly at work in daily newspapers globally: Agriculture, Politics and Government, Economy, Business and Finance, Science and Technology, Consumerism, Education, Ecology, Judiciary, Crime, Religion, Sports, Entertainment and Recreation, Culture and the Arts, Foreign Affairs, Transport, Marine, Weather, Fashion, Ecology, Labour, Finance, Energy, Health, Aviation, Defence, and Tourism, among others.

The columnist

One important specialist featuring in most popular newspapers is the "columnist". The columnist has a good deal of freedom to express personal views in a regular commentary on local, national and international affairs. Style and approach vary from a pungent daily contribution to a graceful weekly essay. But always, the columnist writes personally and does not necessarily conform to the paper's policy. Similar freedom is usually permitted the cartoonist, whose formidable daily task is to condense an argument, even a philosophy, into a single, striking drawing.

Some of the specialised areas named represent large sections of national dailies, for instance, sports. Here, a considerable group of experts, including writers, sub-editors and reporters, often produce two or three pages of news comment. The weekend sports reporter is a major specialist whose reports are highly valued since such reports provide relaxation for fans in terms of audience's media use and gratification. There is often keen competition among the media in respect of publishing results, matches, scoops on contestation and championships, among others, with remarkable alacrity. Interest in sports has tremendously increased over the years. Sporting organisations at all levels have become an elaborate and efficient machine and one with a large number of audiences.

Public attention is being directed more insistently to problems of finance, economics and business than used to be, and what were formerly held to be technical and "dry" topics have forced their way into the newspaper. This has created a demand for articles written in a lucid and "popular" style. Those who take a practical interest in journalism will note how a newspaper handles questions of exchange, currency and commercial treaties. Specialists in these matters must be able, in times of crisis, to offer readable accounts of the operation of economic policies. An important part of the specialist's duty is the preparation and interpretation of the reports from the financial centre of the world, reports of movements of foreign exchange and a survey of investment prospects. The specialist has the responsibility, through his writing, to explain the soundness or otherwise of any prospectus of new ventures and issues; and, readers of the newspaper must be able to rely on competent, frank and fearless criticism.

Types of specialists

Free specialist: This is a specialist who has an interest in some subjects and is allowed to explore them as a price of keeping him. Reporters in this category become experts in their fields because they have spent enough time on their own to learn about their intended specialised beats.

Legitimate specialist: This is a specialist that has been specifically trained first in respect of his special area and later with respect to journalism. For example, a legitimate specialist reporting the Supreme Court should have a degree in Law and a Master or Diploma in Journalism.

The freelancer: Some of the most successful journalists are freelancers who hold no staff appointments but knock at many doors. For people whose temperament it suits, the life is attractive, offering independence, adventure and freedom. A freelancer is governed by his own inclinations and institutions and carves his own career. In Nigeria, for instance, there are many freelancers. Some of them maintain regular contact with news editors, to whom the most enterprising suggest ideas for stories and get assignments. They offer news and articles on many subjects. A good deal of syndicating is done in articles, features, fiction, cartoons and the like, which are accepted for many newspapers across the globe. Some freelance specialists have done well in reporting in their beats.

Reporting business and the economy

The provision of life's necessities is an existential issue. The three most important necessities of life are food, clothing and shelter. After these basics is a welter of other desires to make life more comfortable, spawned by modern society. The provision or acquisition of these basic and other human needs entails economic activities and the media can only ignore reporting activities to their own peril .The time of man is consumed by economic activities from sun-up to sun-down from primitive societies, where he goes out to hunt for wild animals for food or goes to the farm to cultivate the land, to modern societies where he works in a sleek, airconditioned corporate office. The environments may be different, but the objectives remain the same, that is, to earn a living or livelihood in order to acquire the necessities of life: food, clothing, shelter, and others. To be able to earn a living, man needs to be informed and educated about the abundant opportunities that exist around him. The media, therefore, devote large percentages of their time and space to reporting economic and business activities.

Unfortunately, business and economy reporting had suffered a hitch and a dearth of specialists because of the editorial policies of newspapers to use the business news page as a form of advertising puffery. For example, in examining the handling of the business sector in the United States, some study outcomes have shown that newspapers devote more of their resources to investigations of suspected corporate abuses than they devote to other investigatory stories. When they do, they are reluctant to bite the hand which feeds them; they needle here or poke there, but never cut the bone.

One problem that is associated with this is that newspapers worldwide are among the most secretive and the most protective about the facts and figures of their own businesses. So, they are not likely to ask others to do what they are unwilling to do themselves. Interestingly, a review of business newspapers and magazines globally shows wide and diversified areas of economic and business reporting. It includes both the public and private sectors of the economy, such as banking, insurance, export trade, industrial and manufacturing business, exchange business, consumerism, corporate financing, international exchange rates, capital market, and the stock market, among others. The economic and business reporter covers announcements of personnel changes in corporations, the yearly earnings and declared profits of corporations and companies, new business laws and their implications, analyses of government's annual budget and its implications for the economy and business. He also covers monitoring business implementations and general trends in the economy. The reporter's assignment covers the production sector and commerce, from extraction of raw materials to manufacturing, and finally, distribution. His assignment also covers the activities of the financial community and consumer affairs.

To be able to report economics and business activities effectively, as, indeed, all fields of human endeavour, the economic reporter must be knowledgeable in his field of interest. We are in the era of specialisation, where the space for the generalist keeps shrinking by the day. As pointed out much earlier in this chapter, reporters are usually assigned to particular beats where, over time, they become experts, although a few reporters are put on the general beat to report stories that may not fall into any particular beat. Business and economic reporting is one such specialisation, and it is such a wide field because modern economics has grown so big and complex, such that no one single reporter can master the whole gamut of the different subsectors of the economy. Thus, there is a crucial need for further specialisation within a specialisation.

The business and economic reporter must have basic knowledge of economics generally and get acquainted with the basics of business operations. He should also be conversant with the technical language of the economy and business. For example, he should understand the forces of supply and demand in economics, and know what the gross national product (GNP) and gross domestic product (GDP) mean. He should be able to demonstrate how these are calculated and the impact and meaning of figures of the GNP and GDP on the lives of the ordinary man. The economic reporter should be familiar with the causes of inflation and its effect on the economy and the life of the citizens.

A competent business and economics journalist needs a good all-round education and should have a little knowledge of everything. This means that a journalist ought to have a somewhat academic background in business, finance and economics. However, irrespective of the business and economic reporter’s academic background, when he is saddled with the responsibility of covering the business and economic beat, he is required to acquire more education in that field.

This does not necessarily mean going back to a formal school, as the reporter might not have the time or the resources to do that. The reporter can acquire the said education on his own; he should visit the library regularly and get books on the subject to read. Most standardised media organisations have extensive libraries; the business and economic reporter can also consult public libraries and enrol with book clubs. He should also buy some relevant books to read. The education of a journalist never stops after the classroom; it continues throughout life. We live in a rapidly changing world where old knowledge becomes obsolete quickly. Decades ago, the computer, though existing then, was not in common use. It was still an item of military hardware, and the internet too was unknown. However, in today’s world, the computer and the internet have become so ubiquitous they are an absolute necessity in all fields of human endeavour. Today, computer knowledge is a strong condition for employment in all disciplines and professions.

As mentioned earlier, the business and economic sector is a very wide and complex field, consisting of many subsectors. Importantly, while this chapter is not a course on business and the economy, it does not intend to supplant the in-depth education that is required in business and economics. Nevertheless, some of the sectors will be highlighted to, at least, acquaint the business and economics reporter with what he is likely to meet in the field.

The subsectors

Business and economics can be generally categorised into ten subsectors, with each subsector having a group of related industries. These sectors include agriculture, transportation, energy, mining, banking and finance, manufacturing, telecommunications, merchandising and international trade, service industry, and the government.

Agriculture

Agriculture is central to human existence as the provision and intake of food is a daily necessity. Agriculture is a huge industry which is also the mainstay of manufacturing. Under agriculture, you have sub-divisions dealing with crop farming, animal farming, fish farming, and research and development.

Food crops are the crops used as staple foods and generally consumed locally, while cash crops are exported for foreign exchange. Cash crops such as cocoa, coffee and cotton are the mainstay of the economy of many African countries.

Animal farming deals with the breeding of birds such as poultry, rearing goats, sheep, cattle and tending piggery, while fish farming deals with the deliberate establishment of fishponds to cultivate and grow fish. Then there are the research institutes that preoccupy themselves with the development of new and better varieties of various seeds and stems in order to make food more readily available to the population. For example, the maturity period of cassava, when it would be ready for harvest, used to be three years. However, the International Institute for Tropical Agriculture (IITA), through research, develops a better variety of stem, which matures in nine months.

The agriculture reporter should be fully aware of what crops are cultivated in his country and follow closely the activities of the research institutions, so that he can report on their activities to his audience, who are farmers.

Transportation

Transportation, or mode of movement, especially in the modern world, is very important. The earliest means of transportation known to man were animals: horses, donkeys, mules, camel and oxen. Now, as a mark of development and civilisation, man has devised and invented motorised transport. Aviation is air transport, which is the fastest means of transportation in the world, especially between one continent or country and another, but also within national boundaries. There are thousands of airlines all over the world. Almost every country on earth has a national carrier (airline), apart from private operators. Intra and inter-city travels are usually done by rail or road, except in riverine areas.

Marine transportation is water transport on the seas and rivers. Despite the popularity of air transport, marine transportation still enjoys huge patronage, especially from a large number of importers and exporters. Importation and exportation charges and taxes remain one of the largest sources of revenue for governments globally.

Each subsector of the transport sector is so vast and important that media houses assign at least one reporter to each. Thus, there are the aviation reporter, the maritime reporter, and motoring reporter, who are under the supervision of the transport editor.

There are various regulatory agencies in the various subsectors, with which the reporters must be familiar, and from where they should generate their stories. For the aviation subsector, there are the Civil Aviation Authorities, airlines, and others that the aviation reporter should visit constantly to get stories.

For the maritime subsector, there are ports and maritime authorities, licensed customs agents, and approved freight forwarders, among others. These are sources of news for the reporter covering this subsector.

Energy

Life revolves around energy. The energy subsector includes oil and gas, electricity and coal. Currently, oil and gas are not only important to the fuelling of various means of transportation; they are the mainstay of many economies in the world. So, the importance of this subsector cannot be over-emphasised. Not only must reporters report the shift, they must also analyse the implication and impact on the economies of countries that depend on crude oil exports for their national incomes. As a matter of fact, changes in the prices of petroleum products are of great interest to every citizen; a hike in the price of such products often means a leap in transport fares and consequently prices of all other consumer products. The reporter covering oil and gas should be familiar with organisations like the Organisation of Petroleum Exporting Countries (OPEC).

The importance of electricity in modern-day life is obvious; therefore, the activities of the electric power regulatory bodies across the globe are of great interest to all.

The mining of various minerals contributes greatly to the economies of many nations. Thus, mining is an important subsector that the business and economics reporter must monitor closely. Minerals such as coal, zinc, tin, diamond, gold, iron and steel, and many others, spawn huge industries and provide employment to millions all over the world.

Banking and finance

Under banking and finance are the various banks that accept money deposits from customers and provide loan for entrepreneurs for investment that ensures the continued growth of the economy. Banking activities are of great interest to those who have their money kept in the banks or those who wish to borrow money there. The public should, therefore, be kept informed of banking activities. At the centre of the banking subsector are the apex banks, like the Central Bank of Nigeria (CBN), which is the regulatory authority of the industry. Its activities and pronouncements have a great impact on the activities reported by the financial correspondents in Nigeria. The insurance industry is also a part of the financial correspondent’s beat. As a subsector of the financial industry, it is superintended by the insurance commissions, worldwide. The financial reporter should be able to educate his readers or listener on the benefits of the various products on offer from the insurance companies.

Manufacturing

Manufacturing is the hub of any modern economy and one of the biggest employers of labour. There are two types of manufacturing: light and heavy. Light manufacturing deals with the production of goods such as biscuits, beverages, soaps, newspaper and magazines, cosmetics, and other such consumer items, while heavy manufacturing deals with the manufacturing of vehicles, and other machinery that are used in producing the light products.

Because of the impact of manufacturing industries on the lives of people, in terms of the products they supply and the employment they provide, their activities are always of interest. The closure of a big manufacturing plant, for instance, means a loss of thousands of jobs to people, which would jeopardise the future of many families.

Qualities of the Business and Economics Reporter

A good and effective business and economics reporter should:

- Have a sound educational background in economics, business and management studies;

- Be acquainted with a good grasp of the economics and business principles and the relative disciplines. He needs to know how business and industries operate and how to read financial reports without confusing his readers. He should be familiar with the intricacies operating in the accounting system;

- Maintain contacts with experts on the beat; these experts can come from the universities, research institutes, or professional bodies. The experts could, as well, be chief executives and managing directors of organisations, companies and parastatals, government officials, technocrats, and diplomats, among others.

- Keep a calendar of events on his beat. *Calendar* here does not mean the one he hangs on his office walls, but a diary of the activities that will take place on his beat and when such activities will take place. For example, he should know when companies will hold their annual general meetings (AGMs) or when governments will announce their annual budgets;

- Define technical terms that the reader or listener may not be familiar with;

- Interpret data, charts and graphs for the readers; his duty chiefly as an economics or business reporter is to demystify economics for his readers. The reader should know how the analysed figures and data affect his life.

- Build a library of reference material on his beat. He should endeavour to file cuttings of newspapers, magazines and house journal articles dealing with subjects on his beat for future reference;

- Make sure his reports are accurate and ensure that the figures he is quoting are correct;
- Check on his contacts constantly;
- Provide current and up-to-date information; avoid stale and boring stories;
- Avoid being too chummy so as not to compromise professional integrity;
- Write stories in ways that would make readers relate and identify with the story; and
- Build the confidence of the reading public.

Conclusion

Since public attention is often directed more insistently to the problems of finance and the economy, economics reporters should have a crusading spirit to enable them to investigate and report on economic crises such as sabotage measures to revive the economy by the stakeholders in the public and private sectors. What were formerly held to be technical and dry topics have forced their ways into newspapers and this has created a den for articles written in lucid and popular styles. For this reason, specialists in economics and business should be knowledgeable in the areas of public financing, questions of exchange, currency, and commercial treaties (balance of payment and balance of trade). In times of crisis, journalists specialising in economics matters must be able to expound the operational economics laws in a readable way. An important part of the business and economics reporter's assignment is monitoring financial messages from the financial centres of the world, reports of movements of foreign exchange and a survey of investment prospects.

The specialised economic reporter has the responsible job of explaining the soundness or otherwise of any prospectus of a venture and issue. A specialised economic reporter must then be alert in order to cover effectively the highly involving foreign currency exchange rates, economics and business forecasting, and interpretation of trends. For example, the capital and stock market ratings need to be constantly watched. The reporter must be hardworking and resourceful to be able to handle the tenuous leg work involved in his assignments. Extensive research, reading and interviewing is needed to generate interesting and rich stories. The reporter should never tie himself to the apron-string of corporate affairs officers. He should possess an adequate interviewing skill. The reporter should be thorough and evince objectivity in his coverage in order to maintain public confidence and patronage. One figure out of place is enough to destroy a strong. Be sure of your statistics.

Sometimes, reporters intentionally or inadvertently use as new stories content meant for commercials. To avoid this error, the reporter should carefully comb every news release for newsworthy material, because most of the information might be designed to enhance and boost the corporation's image, for part of it may be pure advertising. On the other hand, the report should avoid focusing on and giving headline attention to the bizarre, odd and inconsequential. The business and economics reporter should give proper attention to constructive progress and contributions. Sensationalism should be avoided. Investigation is a key to unveiling what is not clear or obvious from press releases and other routinely distributed news. Investigation will help the reporter to ensure, for example, that the private sector does not allow the overriding profit motive to swallow its operations (products from which the consumer no longer gets his money's worth).

The reporter should also avoid being beaten off by the sweet or sugar-coated tongues of corporate affairs officers. These officers are all well known for their smooth talking. Where necessary, the reporter should insist on seeing the chief executives or other top decision makers. Major issues should be followed up until they are fully resolved. For example, if the government disagrees with a utility corporation on an issue, such a matter should not be left hanging and readers guessing.

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10

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Media Reporting of illicit financial flows and money laundering in Africa

Introduction

Illicit financial flows (IFFs) or the illegal movement of money or capital from Africa is a major concern, not only to the continent, but to the whole world. It is estimated that Africa is losing in excess of US$60 billion annually as capital which is illicitly transferred from the continent. Expectedly, there is no definite figure of how much Africa loses annually due to IFFs because IFFs are difficult to measure, as it is really about 'dirty money' that crosses borders. Nonetheless, significant research demonstrates widely held concerns that IFFs have a negative impact on Africa's development. What is clear is that IFFs rob the continent of much-needed revenue for development projects. African media need to rise to the occasion and increase as well as improve reporting IFFs in order for citizens to be informed and ultimately hold governments to account. This chapter will unbundle the complexities surrounding IFFs in order for African journalists to improve reporting on IFFs.

Defining illicit financial flows

There is currently no globally agreed upon definition of IFFs, and this may be due to the fact that the concept of IFFs encompasses many aspects. Global Financial Integrity defines illicit financial flows as the *'illegal movements of money or capital from one country to another'*. It goes on further to classify this movement as an illicit flow when the funds are illegally earned, transferred, and utilised. In the international development community, the concept of IFFs is emerging as a powerful and constructive umbrella to bring together previously disconnected issues. The term emerged in the 1990s and was initially associated with capital flight. It now generally refers to the cross-border movement of capital associated with illegal activity or, more explicitly, money that is illegally earned, transferred or used that crosses borders.[1]

IFFs typically originate from three main areas:

- Proceeds from acts that are illegal, such as commercial tax evasion and tax avoidance, as well as from individuals, trade misinvoicing and abusive transfer pricing;
- Proceeds of illegal activities and criminal activities, including drug trade, human trafficking, illegal arms dealing, and the smuggling of contraband; and
- Proceeds from corrupt dealings or activities, such as bribery and theft by corrupt government officials, and the financing of organised crime, such as terrorism.

Concern over IFFs and money laundering in Africa has risen sharply over the past decade. Research by the UN-Economic Commission for Africa (ECA) says illicit financial flows cost Africa up to $100 billion in 2018. The research further states that tax havens like Panama, British Virgin Islands, Seychelles and other jurisdictions are “major enablers” of the illicit flows. The illicit flows are estimated to be as much as ten times the amount of foreign aid to Africa. Other recent data from global financial intelligence agencies point to a crisis of gargantuan proportions:

- Financial intelligence data show that, in 2017, Zambia was losing about $3 billion annually through IFFs that were mainly perpetuated in the minerals sector.
- On average, Ethiopia loses 2.2% of its annual GDP to IFFs.
- The Reserve Bank of Zimbabwe estimates that $3 billion was “externalised” between 2015 and 2017 to countries such as Mauritius, Botswana and the Far East countries. Of this, $1.8 billion was illegally expropriated through management fees, service fees, technical fees and royalties that fit the definition of illicit flows.

- Botswana was reportedly losing up to $845 million annually through a loose investment that is unable to curb money laundering, tax evasion and trade mis-invoicing. The EU placed Botswana on a blacklist of tax havens twice in seven years, in 2012 and 2016.

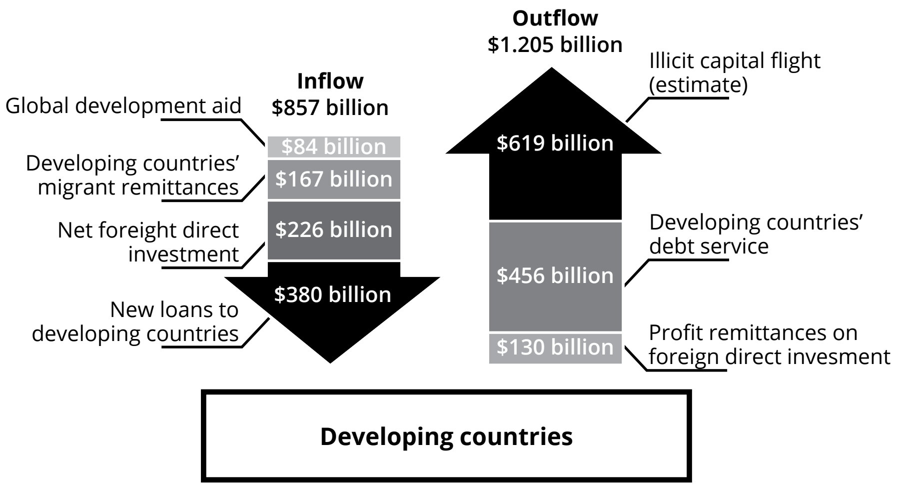
- Nigeria's losses to IFFs are estimated at $18 billion (N5.5 trillion) in 2018. This is almost 62% of the country's 2019 national budget of N8.9 trillion, and twice the total budget allocation to Nigeria's education sector for the period 2009-2018.

Based on Car and Cartwright-Smith (2010), the top ten African countries with the highest IFFs cumulative from 1970 to 2008 are Nigeria, Egypt, South Africa, Morocco, Angola, Algeria, Ivory Coast, Sudan, Ethiopia, and the Democratic Republic of Congo (DRC). Reports said Zambian mines were involved in transfer pricing, 'thin' capitalisation, misinvoicing and over-invoicing, and the use of loopholes in double-taxation treaties.

A 2018 report by Global Financial Integrity (GFI) estimates that SA lost $37 billion to $7.4 billion a year — in potential government revenue due to trade misinvoicing between 2010 and 2014. GFI said trade misinvoicing involves companies moving money illicitly across borders by misrepresenting the value of a transaction.

> ***Trade misinvoicing occurs on both imports and exports. Companies can over-invoice imports to shift money abroad or under-invoice imports to avoid customs duties or VAT. They can under-invoice exports to shift money abroad and sometimes over-invoice exports to claim rebates. The illicit practice, which essentially involves companies lying about the value of their imports and exports to avoid taxes, reduces government revenue, denying it custom duties, VAT, and other taxes, as well as taking income and wealth out of the country, reducing finances in the economy for domestic investment, consumption or savings.***[2]

According to media reports, the SA Revenue Service (SARS) conceded in May 2018 that not enough had been done to tackle IFFs. SARS said multi-agency teams were looking into cases involving more than R9 billion, but progress was undermined by severe staff reductions and a lack of transparency in the global financial system. GFI suggested that SA could reduce revenue losses from trade misinvoicing by tightening legislative and regulatory measures, detecting misinvoicing when it happens and attempting to recover lost taxes through audits and reviews.



Source: Eurodad fact sheet 'Capital flight diverts developing finance'. The image is based on data from the OECD and the World Bank as well as estimates of illicit flows by Eurodad

The continued bleeding of Africa through IFFs is a major concern because the funds that are illicitly crossing borders are depriving the continent of much-needed resources, resources that should be used for developing the continent. The mobilisation of domestic resources becomes a challenge as those involved in IFFs evade tax.

> ***Corruption, organised crime, illegal exploitation of natural resources, fraud in international trade and tax evasion are as harmful as the diversion of money from public priorities. Illegal logging, fishing and mineral extraction are strongly connected with deforestation, the depletion of fishing stocks and environmental degradation as well as the impoverishment of individuals and communities who rely on those resources to sustain their existence.***[3]

Expenditure to key sectors of the economy such as health, education, and providing infrastructure such as roads is reduced. Ultimately, this leads to increased poverty levels, increased disease burden and deaths. With increased poverty levels, disease and deaths, people's levels of productivity decrease and a country fails to develop.

The loss of revenue for public expenditure means that African governments increase their reliance on foreign debt and aid to finance domestic projects. External debt, foreign aid and foreign investors often come with their own demands, such as incentives to attract investors, or conditions attached to aid and debt. The increase in the reliance on external players threatens the viability of weaker states and has a negative impact on democracy.

> ***Some of the effects of IFF are the draining of foreign exchange reserves, reduced tax collection, cancelling out of investment inflows and a worsening of poverty. Such outflows which also undermine the rule of law, stifle trade and worsen macroeconomic conditions are facilitated by some 60 international tax havens and secrecy jurisdictions that enable the creating and operating of millions of disguised corporations, shell companies, anonymous trust accounts, and fake charitable foundations.***[4]

IFFs worsen inequality and, as the saying goes, the poor get poorer while the rich get richer. Women and children are most affected by inequality and the lack of development. Public confidence in public institutions, such as the anticorruption commission, the police, and the revenue authority, as well in rules of the land, are undermined.

Causes of IFFs

Some people will argue that IFFs came to Africa with colonialism and a global system of transferring resources and raw materials from the colonised to the colonisers was started. The international financial system we know today — i.e the compendium of legal agreements, institutions, and economic actors, that together facilitate international flows of capital for investment and trade — was largely shaped by colonial interests that persist to date in new forms.[5] The situation still exists as neo-colonialism and denies developing countries the right to have a say in their own development.

The existence of tax havens, which provide safe conduits for the proceeds of political and economic corruption, illicit arms dealing. These offshore systems provide businesses and wealthy elites opportunities to escape their tax obligations. Tax havens have contributed to the rising incidence of financial crises that have destroyed livelihoods in poor countries. Tax evasion, money laundering, and capital flight is another cause of IFFs. In some instances, IFFs are encouraged by situations in which some countries have low state resources and attempt to increase foreign direct investment (FDI) with the hope of increasing employment, which in turn should increase domestic revenue. However, the current international tax system allows international companies to move their money around in an effort to pay low taxes.

Newsgathering on illicit financial flows: Understanding the lay of the land

What is arguably the biggest challenge for business reporters attempting to break stories on illicit financial flows is legal and regulatory secrecy and complexity. Unlike other aspects of banking and finance, the regulatory regimes that control illicit financial flows and money laundering in many countries are highly discreet and often subject to multiple ways of interpretation. At worst, most regimes in African countries are subject to ministerial or other executive provision, often secured on a case-by-case basis, adding to the opacity of such processes. A lack of a standard template for decision-making, coupled with significant overt secrecy on the specific nature of transactions seeking executive authority or approval and the scale of funds involved, only add to the difficulty and risks for reporters seeking to expose IFF and money laundering crimes. In South Africa, a social justice NGO warned in August 2019 that secrecy undermined SA's own tax base, while the country's elite, and SA and foreign multinational companies within its borders "exploit weaknesses in legislation and use other secrecy jurisdictions to reduce their tax obligations in a country with deep inequality".[6] It called for comprehensive tax-transparency measures to empower authorities in the disclosure of tax returns, especially by elected representatives and high-ranking public officers.

Schlenther (2016: 1081-3) describes the peculiar circumstances for Africa's extractives industries that create opportunities for IFFs. These anecdotal scenarios are also useful starting points for reporters investigating illicit funds flow in their respective countries:

- Extractive sectors tend to come under a high level discretionary political control.

- Resource sectors account for a majority of foreign earnings and fiscal revenues in many countries, making control over resource sectors a powerful instrument of economic and political power

- There is a blurring of public, shareholder, and personal interests with regard to extractive sectors. State companies may serve the personal interests of their political patrons. Government officials may have vested financial interests in companies in the sector.

- Limited competition and, as a result, fewer checks and balances in these sectors compared to other more competitive sectors, are in place.

- Extractive sectors involve complex technical and financial processes that require a high degree of expertise. Extraction companies themselves, rather than governments, do much of the accounting for tax payments

- Exploitation is caused by a failure to specify properly the price at which the product (for example, gold) is to be exported from developing countries. The transfer may be legal, but the underlying contract may be a consequence of corrupt dealings between government officials and those representing multinationals.

Schlenther (2016: 1081-3) further identifies the following as specific revenue streams associated with IFF risk:

- Bonuses: bribes and payments outside central budget accounts, associated with embezzlement and political slush funds;

- Royalties: under-reporting of volume, underestimated value, price discount, benchmark or indexation;

- Fees: petty corruption related to extortion or payment avoidance;

- Corporate income taxes: transfer pricing, mispricing/over-invoicing, undue tax exemptions or rebates;

- Production share: misreporting on volume or quality by an operating company, inflation of operational costs, and embezzlement by state resource marketing entities.

In addition to the above, many African countries simply lack the legislation to deal with IFF or money laundering. The implications for such legislative gaps are astounding, as powerful politicians and senior government officials exploit the vacuum to punish political and business foes on nondescript and flimsy charges. Other cases involve the use of nebulous or even non-existent laws to extort financial bribes and other favours from unwitting traders as well as outright victims.

According to Enact Africa, no cases of IFF, money laundering or white-colour corruption have been prosecuted in Gabon, Cameroon and the Central African Republic (CAR), primarily because of impunity and a lack of political will.[7] The levels of impunity are high, to the extent that in CAR, "public officials in Central Africa do not necessarily try to hide the destination of their money, [with] many officials alleged to own real estate in major African cities and abroad".

Yet some of the most damning evidence of IFFs often sits right under the noses of the best business journalists and investigative reporters. For example, in November 2018, the Action Group for Money Laundering in Central Africa (GABAC) expressed outrage that evidence of money laundering and illicit financial flows was easily discernible in the country as private real estate projects grew sharply with no commensurate increase in declared income by individual property developers:

> ***Blanchiment d'argent: le Gabac met à l'index l'immobilier et les transferts de fonds***
>
> *Le Nouveau Gabon, 3 October 2018*
>
> *Le directeur des affaires juridiques et du contentieux du Groupe d'action pour le blanchiment d'argent en Afrique centrale (Gabac), Saturnin Bitsy, a jeté un pavé dans la mare lors de la séance plénière d'ouverture des travaux de la réunion du 28 septembre dernier à Libreville, dédiée à l'harmonisation des textes de l'institution avec l'environnement international.*
>
> *D'après lui, le blanchiment des capitaux existe «bel et bien» au Gabon sous différentes formes. «C'est vraiment à déplorer (…) Vous voyez tous les immeubles qui poussent; des immeubles dont la valeur contraste avec les revenus déclarés du citoyen.», rapporte-t-il à la presse locale.*
>
> *Ce haut responsable poursuit son propos en indiquant que les circuits de blanchiment utilisés vont de l'immobilier à la création d'écoles privées en passant par les transferts de fonds et les unités de production industrielles.*

> *«Vous avez aussi les écoles privées qui sont des canaux de blanchiment, des transferts de fonds. Il y a beaucoup de canaux qui permettent de blanchir de l'argent. Il est vrai, comme on dit au Gabon, on paie bien, il y en a qui ont beaucoup d'argent; mais est-ce que ces immeubles qui sont construits, ces structures, ces unités de production qui sont créées sont en adéquation avec les revenus déclarés des citoyens?», s'interroge le haut responsable du Gabac.*
>
> *...*
>
> *The director of legal affairs and litigation of the Action Group for Money Laundering in Central Africa (Gabac), Saturnin Bitsy, cast a stone into the waters at the opening plenary session of the meeting of the 28 September in Libreville, dedicated to the harmonization of national regulations with the international institutional environment.*
>
> *According to him, money laundering exists "well and truly" in Gabon in various forms. "It's really regrettable (...) You see all the buildings that grow; buildings whose value contrasts with the declared income of the citizen. ", he said to the local press.*
>
> *The senior official continued his statement by indicating that the "whitening circuits" used [by alleged launderers] ranged through the transfer of funds to build real estate, industrial warehouses and private schools.*
>
> *"You also have private schools that are money laundering channels and remittances. There are many channels that can launder money. It is true, as we say in Gabon, we pay well, there are some who have a lot of money; but are these buildings that are built, these structures, these production units that are created are in line with the declared income of the citizens?" asked the senior GABAC official.*

Enact Africa further adds:

> *Public officials in Central Africa do not necessarily try to hide the destination of their money. Many officials are alleged to own real estate in major African cities and abroad. A public servant's salary*

> ***is far from sufficient to fund the construction or purchase of multi-storey buildings or other forms of high-value real estate.***[8]
>
> — *Time to cast the spotlight on money-laundering,* ***Enact Africa****, 29 April 2019*

The challenge for reporters operating in countries like CAR is the extent to which they are able to use data on local property deeds, annual company returns and any available tax information to piece together patterns of IFF and money laundering. The next challenge would be the extent to which filing of annual returns are enforced, and transparency laws on accessing and researching the deeds records and archives of annual company returns. Reporters may find relief in seeking assistance from international organisations as well as local branches of global agencies (for example, real estate agents) with access to important information and with no significant restrictions to disclosing such data.

In many ways, reporters should consider this rare but quite plausible perspective: that IFFs and money laundering could escalate currency risks to the potential of economic collapse. A classic example was Kenya's decision on 1 June 2019 to curb money laundering and IFF by withdrawing and replacing the Ksh1000 notes, the highest currency denomination in the country and indeed the entire region. Numerous reports quoted statistics from the Central Bank of Kenya (CBK) that the value of legal tender in KSh1000 notes was Ksh218 billion, about 83% of the country's total currency value held in shilling banknotes. This meant that attempts to demonitise the Ksh1000 note carried significant risks. The risks were exacerbated by findings that the note was in fact the most preferred denomination by consumers and traders in the entire region, as the Kenyan currency was perceived as 'the regional US dollar'.[9]

In September 2018, Kenya's central bank slapped commercial banks with fines totalling Ksh500 million in a multi-billion-shilling scandal involving the National Youth Service, a government agency, despite what appeared to be stringent anti-money laundering and IFF controls. The banks — Standard Chartered Bank, Equity Bank, KCB Bank, Cooperative Bank, and Diamond Trust Bank — failed to report large cash transactions, undertake adequate customer due diligence, demand supporting documentation for large transactions, and had serious lapses in the reporting of suspicious transaction reports (STRs) to the Financial Reporting Centre.[10] Interestingly, Kenya's prosecuting and judicial authorities have yet to conclude a successful case against the alleged perpetrators or even their alleged accomplices in the banking system.

There is indisputable evidence that, while extensive IFFs and money laundering pass through formal banking channels, many African countries lose significant tax income through unaccounted and untraceable transactions that manage to filter in or out of the regulated economies. A study by the Alternative Information and Development Centre (AIDC), an organisation that seeks greater social justice within the democracy in South Africa, found that mining and the digital economy were the country's worst sectors in complying with IFF legislation. AIDC opined that mining historically had been a major source of IFFs, mainly because it exported primary products. The digital economy, on the other hand, had experienced rapid growth and was not fully subject to tech tax obligations. In addition to this, the SA Revenue Service, SA Reserve Bank, the Financial Intelligence Centre and other regulatory bodies often failed to do justice to their role of gatekeepers.[11]

> ***Unless we equip our tax authorities with the resources they need to pursue aggressively tax avoidance and tax evasion schemes in all their existing forms, we will not be able to combat illicit financial flows efficiently. Hand in hand with our advocated transparency reforms, greater accountability by these institutions and oversight of them will be needed … If South Africa is not a jurisdiction that facilitates tax evasion and provides a safe haven to foreign illicit financial flows, it is nevertheless suffering heavily from tax and wage evasion.***[12]

The Africa Capacity Building Foundation, an agency of the African Union, contends that IFFs out of Africa are in the form of laundered criminal proceeds (through drug and human trafficking), corruption (through bribery of government officials and theft of state assets), tax abuse (by corporations and individuals), and market abuse (through conflicts of interest and regulatory abuse). ACBF argues that IFFs out of Africa are primarily from a lack of financial transparency.[13] Schlenther (2016: 1074) concurs and lists other common sources of IFFs to include smuggling of illegal goods, transfer pricing and false declaration or trade mispricing, and terrorist financing.

Towards a newsroom strategy to report IFFs

African reporters searching for a strategy to cover IFF and money laundering issues could find it easier to begin with their respective countries' policies and strategies. Many African countries may have national legislation on IFFs and money laundering, but it is important to ensure that the laws are harmonised with international regulations and laws, such as provisions for cross-border investigations, information sharing and cooperation. Unlike other crimes, a significant proportion of IFFs and money laundering involves cross-border payments and movement of funds, hence the need to ensure national laws and regulations support the complex nature of these crimes.

Harmonisation of national laws with regional or global regulatory standards often happens in tandem with the ratification of major international agreements or conventions. Reporters should always find out what global agreements and conventions are being mooted and publicised from time to time, and then investigate their own country's commitment to the global regulation or treaty. Many African governments often decline to ratify major regional or global treaties for many reasons, and almost all of these are worth probing and reporting. At times, one country's governing party may be reluctant to assent to certain treaties for fear of loss of revenue, reprisals by friendly countries, or to protect its own national interests on a specific issue. The most common example is the refusal by many African countries to sign treaties on the protection of endangered species on the grounds that they occasionally issue hunting permits.

Regardless of the laws, regulations and conventions, reporters will find many stories relating to policy implementation and the development of national strategies on IFFs and money laundering. This is where one distinguishes between governments with a firm commitment to stamp out criminal practices and others that merely pay lip service. Here, reporters should investigate whether countries have adopted national strategies and the extent to which such strategies include global best practice measures to combat IFFs. Another element is to probe successive national budgets to understand what allocations (if any) are made annually to fight IFFs and money laundering. Indeed, the national budget may reveal other important issues, such as the extent to which particular governments cede their responsibilities to combat IFFs to donor countries and non-governmental agencies. In the end, governments that care deeply about illicit money movements will have clear and specific strategies for dealing with IFF elements such as corruption, money laundering, and tax evasion. In addition to multiple strategies, committed governments will also have the infrastructure for dealing with the proceeds of crime, for example, asset forfeiture units, specialised crimes courts, and specialised prosecution teams. In some countries, accounting, auditing and other related professional associations are enjoined through regulatory and legal statutes into the national fight against corruption and money laundering.

Reporters should be encouraged to push for regular publication and release of data pertaining to IFFs in their respective countries and in their regions. It is a travesty that many African governments are not obliged to regularly report cases of IFFs and money laundering. For them, such data updates could embarrass the ruling class or even expose them to public scrutiny. In some cases, information is withheld and only released years after it has lost its potency, and its newsworthiness has been blunted. It is also noteworthy that media repression is still rife in a number of African countries and investigating IFF and money laundering could trigger harsh repercussions for reporters.

The good news is that reporters have useful alternative sources of information. These include the UN Economic Commission on Africa, World Bank's IFF data bank, Global Financial Integrity, Transparency International, Action Aid, Africa Capacity Building Foundation, Extractive Industries Transparency Initiative, National Resource Governance Institute, Alternative Information and Development Centre, Tax Justice Network, Enact Africa and many others.

Sometimes the answers to questions lie in speeches made at previous press conferences. Government ministers and their officials are known to offer fairly detailed statements at meetings with investors and international organisations. Looking back at pronouncements at such meetings could offer insights into the nature of agreements or special conditions approved in certain government contracts. For example, in meetings with investors, government officials could mention special licence conditions, tax holidays and other concessions offered by the government to certain foreign or local investors. Reporters combing through speeches and reports from such earlier engagements are likely to find useful information that could assist in newsgathering. Even simple facts gathered during an earlier news or media event, for example, which business executives attended, who addressed the gathering, were any collaborative links mentioned or were vague future promises made by any party. A reporter with an eye for details picks these pieces of disparate information anyway when out on a newsgathering assignment; the full picture emerges later.

A number of pan-African civic organisations have in the past few years sought answers from some global organisations on issues relating to transfer pricing, misinvoicing and a general lack of transparency on tax obligations. In 2013, for example, five NGOs filed a complaint with the Organisation for Economic Cooperation and Development (OECD) against global commodity giant Glencore and activities at Mopani Copper Mine in Zambia. The opportunity to receive copious amounts of data, that would have otherwise remained confidential, was more important for newsgathering than the OECD's final ruling.[14]

For all government ministries and State-owned enterprises (SOEs), parliament/national assembly remains one of the single best sources of information. Heads of state entities and government departments are expected to appear before parliamentary committees to seek funding or to account for specific issues. Most parliamentary business is open to the public (and the media), providing excellent opportunities for picking up detailed data as the executives are quizzed. Reporters should not only diarise all major committee meetings but also ensure they get all documentation released or mentioned in the proceedings. At such hearings, reporters with good, professional relationships with parliamentarians may secure interviews with them to ensure the final story provides as much detail as possible. Good reporters must always factor in the possibility that details presented in parliament are incomplete.

Differences across African countries in terms of economic development, banking, communications and general legislative and regulatory controls have a major impact on a country's ability to control IFFs and money laundering. The existence of well-functioning legal and judicial systems, as well as strong communications, appear to promote awareness, recourse and penalties, and in the process highlight the case for fighting IFFs and money laundering. Conversely, countries with poorly developed legal and judicial systems appear to heavily rely on weak administrative systems that have poor capabilities to effectively monitor and curb IFFs and money laundering activities.

Among the most obvious patterns to analyse are the annual financial statements of major corporations. Stock exchange legislation in many African countries has a mandatory requirement of all public companies to publish and file audited financial reports annually. Such legally binding documents hold a trove of information that would provide reporters with vital data on turnover, profits, and even disbursement of dividends. The statements also carry extensive details of a company's operations, directors and core business activities. For example, according to waronwant.org, a NGO that fights for fair exploitation of natural resources around the world, Zambia's Zambeef declared a profit before tax of $10.6 million in 2011, on which it actually paid tax of only $244 000, a rate of 2.3%, compared to the standard rate for agribusiness of 15%. Deducted from the tax charge was around $2.5 million in capital and depreciation allowances.[15] Stock exchange rules require public companies to publish their annual financial results within six months after the close of their financial year, a regulation that should greatly assist reporters in gathering information.

The Tax Justice Network classifies the vulnerability of African countries to IFFs in terms of both direct inward and outward investment criteria. On direct inward investment, the UK and the Netherlands stand out as the highest contributors. Rules in the UK do not require beneficial owners of companies to be publicly registered in overseas territories and crown dependencies. The Netherlands, which makes up the single largest share of Africa's vulnerability to illicit financial flows in direct inward investment, allows easy setting up of holding companies or other investment vehicles that exploit double taxation agreements signed with African nations or provide cover through secretive tax rulings.

One final aspect of IFFs and money laundering in Africa relates to the blossoming mobile money systems in many countries and regions, driven by the rapid expansion of telecom services over the past two decades. While both mobile telephony and mobile payment systems solved major developmental issues for Africa, they inadvertently introduced unprecedented vulnerabilities to IFFs, money laundering and financial fraud.[16] For example, the 2018 International Narcotics Control Strategy Report (INCSR) by the US Department of State expressed concern that Kenya's M-Pesa payment system, a global success story of non-bank money transfer solutions, posed significant illicit trade risk because of its vast agency network and cross-border popularity across the region. Numerous studies have raised similar concerns, with Buku and Meredith (2013:396) proposing that financial innovations that major payment services like M-Pesa should be developed "hand in hand with appropriate controls to protect the services from being used as an easy tool for money laundering and terrorism financing".

Guidelines for reporting IFFs and money-laundering in African media

As stated above, investigating and reporting IFFs and money laundering is a difficult easy task for even the best journalists. One reason is that the concept of IFFs is wide and encompasses corruption, tax evasion, smuggling and trafficking and organised crime and much more. Each aspect of IFFs could be a beat on its own. The following are useful guidelines for improved news reporting on illicit financial flows and money-laundering:

Find the Story: Due to the nature of IFFs, business reporters have to really dig deep to find stories. This also requires patience and plenty of research. As seen above, there are no limits as to the sources of great news stories on IFFs and money laundering. The onus is on reporters to have a 'nose for news' and keep an open eye for even minor patterns or shifts in broad issues relating to companies, organisations and even individuals. The old adages are true: patience pays, and experience is the best teacher.

Turn statistics into stories: Reporting on IFFs naturally brings with it numbers and statistics and they can sometimes be difficult to understand. A good approach to using figures and statistics is to compare them 'to equivalent statistics from another time, such as last year or the next financial quarter. They can be compared to equivalent statistics from another place, such as a neighbouring state or a competing company (Hemp, 1996, p. 32). Comparing statistics is actually not enough. Journalists need to do more than report figures and explain the significance of the figures and what they mean by putting them into context and turning them into meaningful stories. Hemp advises reporters to go beyond the numbers and find the real issues:

> ***Confronted with raw statistics, a reporter has to ask: what do these mean? The answer to that question is more important to the reader than a flurry of figures. The answer will make the figures understandable and interesting (Hemp, 1996, p. 37)***

Connect the dots: Reporters should adopt the attitude that there is no irrelevant piece of information in newsgathering. In other words, all information gathered is a critical component of an ultimate future story and should therefore be collected and nurtured. Good reporters will 'walk a story back' several years using details gained at press conferences, media briefings, product launches and even from innocuous-sounding press releases. When well linked and appropriately sourced, the emerging story is one with a strong contextual background and authority. It is important to still cross-check whether specific individuals have changed their designations or affiliation, but any change (or no change) is itself newsworthy!

Quote the experts: It is important to get quotes from experts that are respected within a certain field. This will strengthen and validate your journalistic work. Stories on IFFs may be linked to many aspects of the economy, such as corruption, taxes and domestic revenue, and government policies, and so there are many experts whom you can call on as a journalist. As much as it is important to quote experts, it is also important to build a pool of reputable sources that you can call on.

Use pictures appropriately: They say a picture is worth a thousand words. Data and figures can be displayed in charts and graphs. This makes it easier for readers to understand. Charts and graphs are also a great way to present comparative data, for instance, showing revenue a country has lost to IFFs in the last five years.

Do your research: Research and even more research is inevitable. Due to the 'illicit' and 'illegal' nature of IFFs, journalists usually have to do a great deal of searching in order to find information. This will require a good deal of time in most cases, but it also requires much in the way of resources. Many newsrooms are already struggling financially and do not see the need to invest in journalists reporting on IFFs. A lack of resources also means that journalists have limited access to technology. 'Inadequate access to technology, for instance, also means for African journalists the lack of access to an ever-growing multitude of information that is part of the public realm for their colleagues in other regions of the world.' The internet is an unending reservoir of information, and, if used skilfully, can be a gold mine. As much as the internet does provide a wide selection of information, on any topic imaginable, journalists still need to be alive to the fact that there is much false and fake information too. Always take time to verify any information from the Internet before using it.

Seek that unique human-interest angle: When reporting IFFs, always bring out the human-interest side of the story. This will make your audience care. For example, you may write a story on a billionaire who lives in your country but has all his money in an offshore account. Some people may ask why they should be concerned with what the billionaire chooses to do with his money or where he chooses to keep it. Your story could bring out the aspect that, by keeping this money in an offshore account, the billionaire is depriving his country of much-needed revenue through tax that could assist in buying medicines in hospitals or be used for building more schools in rural areas. By bringing out the human-interest aspect when reporting on IFFs, the audience is better able to understand how they are affected and why the issue is relevant to them. Always ask, what is the story behind the story? Ultimately, just as in any business story, reporting on IFFs is about the people, the ordinary man and woman on the streets who are consumers and taxpayers.

Develop strong national, regional and global networks of media practitioners: Due to the cross-border nature of IFFs, it is advisable for journalists to form networks and work with each other. This will definitely ease the trouble of doing research in another country. Formal and informal networks of news professionals offer critically useful opportunities to compare notes, make cross-border follow-ups on stories and issues, and generally remain apprised of global trends in the fight against IFFs and money laundering.

Media ethics when reporting IFFs

- When reporting issues of IFFs such as corruption, tax evasion, trafficking and any other area related to IFFs, accuracy and fairness is of the utmost importance.
- Accuracy and fairness are at the centre of any journalist's integrity, and respective audiences lose faith in both the journalist and the organisation if they believe the reporting is not fair or balanced.
- Stories on IFFs are usually stories of wrongdoing; therefore, it is important to ensure that individuals and organisations cited in a story or connected to a story have a fair chance of responding to any allegations before the story is published.
- 'A good journalist is motivated by fairness and has an inner sense for identifying and avoiding defamation.'
- When a person or organisation is covered in a story as having been dishonest, unethical, or conducting illegal business, ensure that the evidence supporting those assertions is factual; otherwise, one may be harming a person's reputation. The supporting evidence is the best defence in avoiding cases of litigation.
- Issues of IFFs usually cross one or more borders, bringing the risk of lawsuits wherever the story is published or where the people mentioned in the story live or work.
- *The Bloomberg Way* by John Micklethwait warns that in many countries, truth is not an absolute defence and that stories "must also serve an important public interest". Micklethwait cautions that news statements need not be defamatory to trigger lawsuits: factual errors that caused monetary loss could be the subject of lawsuits.[17]
- When it comes to issues of the privacy of individuals, the general rule when deciding to publish a story or not lies in balancing the privacy of the individual in the story and public interest. If the public interest outweighs privacy, then the story should be published and vice versa.

- However, corruption, tax evasion, trade misinvoicing, trafficking and all aspects related to IFFs usually emanate from illegal activities. It goes without saying that public interest outweighs privacy when reporting IFFs.

Conclusion

Illicit financial flows and money laundering have emerged as new headaches for governments, regulators and business reporters. While research is ongoing on ways to effectively combat IFFs around the world, news media are expected to stay abreast in reporting the emerging picture as well as lead with breaking news wherever possible. The issue of IFFs and money laundering has attracted the attention of regulators, global financial institutions and non-government organisations. The growing interest should aid African business reporters in finding specialist news sources, frequent meetings and conferences dealing with the subject, and a constant stream of new research, among other newsgathering benefits. African media organisations should encourage business reporters to regularly cover this emerging business news beat and provide space for such reports to be published. In addition, public discussion and debate on IFFs and money laundering should be encouraged, alongside other pertinent topical issues.

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