State Bank of Pakistan

Economic Journalism Training

Workshop: Covering Economic Data

Focus: Inflation

Naween Mangi

Covering Economic Data

- SBP's technical information great for building knowledge and expertise.

- Purpose: how to journalistically handle the data and look at how this is done at global standard

- When you receive a piece of economic data, how do you normally handle it?

- How do we go beyond the breaking news? Especially in times of increasing competition and the need for depth.

- Basis: News you can use.

Covering Economic Data

- Most journalists think of economic news as highly technical

- Truth: Even technically adept readers love an economic story that directly relates to real life

- Use the grandmother test: Keep everything simple, explain terms, avoid jargon.

- Truth: All economic issues ultimately DO relate to real lives of ordinary people so why aren't we telling stories that way?

Economic Reporting

- Economic reporting helps readers understand issues that affect their finances

- Economic reporting takes many forms: From explaining how inflation affects your wallet to revealing why unemployment is rising or falling

- Economic news is based mostly on data compiled by the government/central bank

- Reporters take these figures and put them in human terms: this crucial element is still missing in our news

Economic Stories

- These economic stories are regularly reported in the media:

  - CPI which measures inflation

  - Interest rate changes which affect how much consumers pay when they borrow money to buy homes or cars

  - Trade which documents how the economy imports and exports goods

  -GDP which measures the growth/decline of the nation's economy

Importance of Data Journalism

- When information was scarce, journalists' job was to hunt and gather for news

- Now information is abundant; processing is more important

  Processing involves:

- Analysis to bring sense of data

- Presentation to get what's important out there

Importance of Data Journalism

- Today news flows as it happens; from eyewitnesses, citizens, social media

- We are no longer the collectors and presenters of news

- Data journalism has growing value because it helps gather, filter and visualize what is happening beyond what the eye can see

- Journalists' focus shifts from reporting what has happened to telling us what a development may mean: this applies to economic data too

Importance of Data Journalism

- It can help reveal how issues like unemployment affect people based on age, gender and education

- It can help people make decisions about buying a house, picking a college or taking a loan

- It can analyze the dynamics of riots and political events and help people see solutions to problems

- Ultimate goal is journalistic: providing information and analysis to help inform people about important issues of the day

Toward the Same Purpose....

Data Journalism serves two important purposes for news organizations:

- Finding unique stories

- Fulfilling the watchdog function

  What's important:

- Real power of data journalism is it helps people get information that would otherwise be hard to find or prove

- Numbers are interesting but you still need to do the reporting to explain what it means

Digging into Data

- Numbers don't speak for themselves

- They must be interpreted by a knowledgeable reporter

- E.g.: The unemployment rate is often cited as a key to the health of the economy but should be handled with care. The rate doesn't include the number of jobless who are not looking for work. When they do join the job hunt, the unemployment rate goes up. This may be a sign of a stronger economy because it could indicate that some previously discouraged jobless people find hope in resurgence.

Uncovering Reality

- Reporters all receive, analyse and interpret data

- Reporters all watch the actions of the central bank and report on what measures are taken

- But how do they uncover the reality? Especially when (as in e.g. above), there may be more than meets the eye

- Talking to real people: The simplest and yet most ignored part of economic reporting in our media

- Who would you speak to for unemployment?

Covering Economic Data

- 1. Go local: Use regional data, talk to local employers, workers, consumers, lenders. For intl trade ask are local businesses finding overseas markets for their products and are they losing out locally to imported goods?

- 2. Cast a wide net: Talk to different classes of consumers including the poorest; ask how are people coping, which specific prices have risen. Ask sellers what's happening to demand, ask businesses who are hiring.

- 3. Write curtain raisers: Ask experts what they expect and why. Tell us how often they've been right in the past.

Covering Economic Data

- 4. Go against the flow: This always generates good stories. Everyone is covering an economic downturn. Ask instead which businesses are doing well or being established.

- 5. Go deep: If a press release shows increasing number of retiring people prefer part-time work, talk to people, humanize the story.

- 6. Go beyond the press release: Check for accompanying reports, papers which can provide additional information and insight.

Covering Economic Data

- 7. Go to the Statistician: They're often happy to chat about the data, go into details. Ask them what the stories are that the data is telling.

- 8. Develop your technical expertise: Then you won't be driven solely by the press releases and experts. Maintain your own databases, play around with the numbers, compare data over time, look for trends.

Tips for Better Economic Stories

- Avoid economic jargon

- Define economic terms

- Use statistics sparingly

- Humanize your stories

- Go beyond the press release

- Get both or all sides

- Show the SIGNIFICANCE of the statistics

  (From Paul Hemp of the Boston Globe)

The Economic Reporter

- The ability to blend the qualitative and the quantitative is essential to the business journalist

- Numbers alone don't say a lot

- When these barometers are matched with the human experience, they take on dramatic significance

Steps to Take

- Use Analogies: When referring to large numbers comparisons with something familiar to readers are especially helpful.

  Example about pollution in a river:

  ``Each minute, about 30 million gallons of Alabama river water or the equivalent of what it would take to fill 60 olympic-sized swimming pools, flush into the Mobile Bay......"

Steps to Take

- Round off numbers: Make it easy for readers

- Avoid bunching numbers into one paragraph: Spread them out over the text of the story and choose the most essential and illustrative.

- Interpret the numbers: Show the impact on readers in terms they can understand and relate to in their daily lives

- Use story-telling techniques: Even or maybe especially, statistical stories can lend themselves to story-telling

Steps to Take

Use Storytelling Techniques

Even statistical stories can lend themselves to storytelling.

Statistically speaking, last month was Nate Payne's best chance in 16 years to get a job.

Payne is a resident of Pennsylvania, where the unemployment rate in March jumped to a 16-year low.

But statistics didn't do a thing for Payne, 29. He was laid off last month from his job as a heavy-equipment operator for a paving contractor and hasn't worked since.
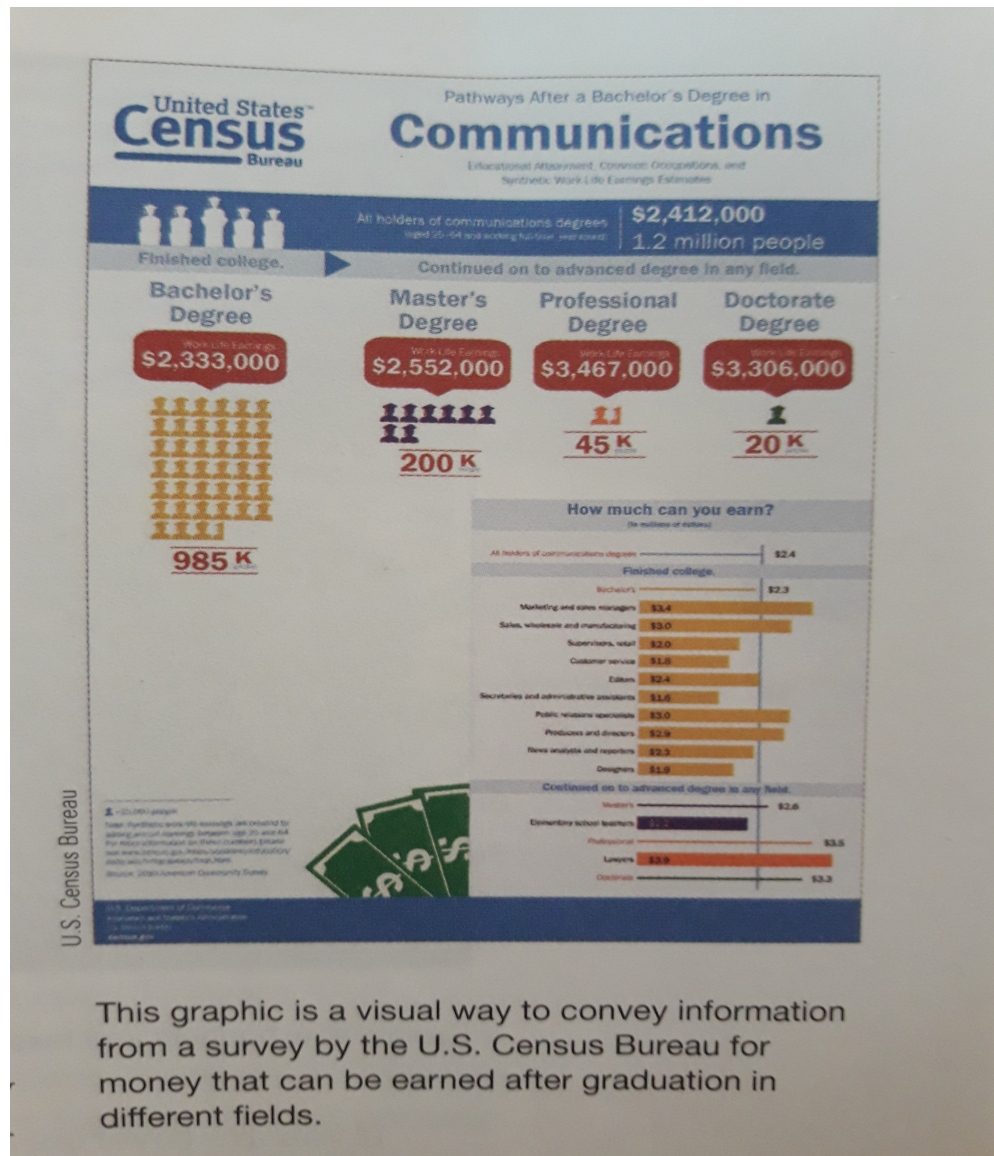
He spent yesterday morning waiting for an interview with a job service counselor in the Pennsylvania Employment Service office at Broad and Master Streets.

He had plenty of company. At least 50 other men and women had come to the office by 10 a.m. to confirm that they had not found jobs and were still eligible for unemployment payments or to see whether any jobs were available that met their requirements.

Payne's assessment: "It's really grim this time."

—ANDREA KNOT, *The Philadelphia Inquirer*

Steps to Take

This graphic is a visual way to convey information from a survey by the U.S. Census Bureau for money that can be earned after graduation in different fields.

Questions About Data

- Where has the data come from?

- Is there a vested interest? Is a company trying to show its merchandise is the best? Is a political party using a statistic to promote itself before elections?

- How was the data collected and could it have been collected in a better way?

    – Find out what is being measured and why

    – Samples are used to make inferences about a population: Someone has made assumptions and you need to ask what the underlying assumptions are. Ask also what has been ignored.

Questions About Data

- What are the statistics reported to mean and what do they actually mean? Don't accept a statistic at face value.

- Know a few definitions and a little maths and you can question the data.

- Models are created to predict: What are the assumptions? Question them because different assumptions can give different results.

- Context is key: People often use the most extreme number to make a story more dramatic. Always put it into context.

Questions About Data

- When handling data, always ask yourself:

  What am I not seeing and what I am being told about these results?

  What is hidden from the view? The failed studies and negative results.

- Common pitfalls:

  - Writing about people without talking to them
  - Not covering the entire spectrum
  - Not questioning the sources of data—who stands to gain from a statistic or perspective?

Basic Averages

- Mean: Add up all the values and divide by the number of values in the list. Problem: If one value is much higher than the rest, the average can be misleading.

- Median: Arrange the data from lowest to highest and then pick the one in the middle: this eliminates the problem occurring with the mean.

- Mode: Most common value in your list, the one that appears the most.

Covering Inflation

- An example from the local press:

  https://www.dawn.com/news/1380209

- An example from Bloomberg:

  https://www.bloomberg.com/news/articles/2018-06-

- Egypt's Inflation:

  https://www.bloomberg.com/news/articles/2018-06-

- Opinion piece:

  https://www.bloomberg.com/view/articles/2018-06-07/bad-inflation-wrapped-up-in-jack-in-the-box-tacos

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Data & Visual Journalism

- https://www.instagram.com/p/BgEVHdmF4x6/?take

- https://www.instagram.com/p/BSEFKJMgL-6/?taker

- http://money.cnn.com/interactive/economy/minimum-wage-since-1938/?iid=SF_LN

Thank you!