

Economic and Business Reporting

By Mel Gunasekera

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Introduction

This business handbook provides editorial rules and a basic guide to economic reporting for journalists in the Maldives.

It explains how business stories are covered for regular news bulletins, including the release of economic data, company performances, product launches and social issues.

Requirements

Accuracy

- Accuracy takes precedence over speed. Business news must be reported as quickly as possible, but above all you must ensure that figures are accurate and add up.
- Numbers should be double-checked before the news is sent for publishing.
- If a mistake is made, even in a background paragraph or secondary part of the story, you must quickly send a separate correction. Never bury the correction in the body of a lead.
- When business stories are written you must immediately explain the importance, provide brief analysis and essential background.
- A job of a reporter is to supply information to ordinary readers. Never assume they will immediately grasp the importance of a piece of new economic data.

Some tips for writing a business story:

1. Avoid writing the story until you understand what the issue is about
2. Be clear in your mind as to what you want to say
3. Put good quotes and human interest angles high in the story
4. Put relevant illustrations (graphics, pictures) or anecdotes high in the story
5. Use concrete nouns and colourful action verbs
6. Avoid passing judgments and inferences. Let the facts do the talking

7. Avoid raising questions that you cannot answer in your copy
8. Pretend you are writing for an simple person like your mother, so avoid jargon and tell the story in simple, honest way

Context

- All business stories must explain technical terms in everyday language.

- We should tell readers why the story matters:
 - Is there a political context?
 - How does it affect the outlook for their jobs, income, livelihood, retirements or investments?

There is nothing duller than a business story written in isolation of the events in the outside world. Bring relevant general news into all economic stories.

React to major events and be original in thinking.

For example, after the bomb blast outside Sultan Park in September 2007, not only did it highlight that Maldives was becoming a hotbed for Islamic fundemantalists, but you can also analyse what it meant for the tourism industries, how it affected the global image of our country, will the government spend more money on defence related areas to increase security presence around the islands

Stories should be directed at a local audience.

For example, if there is a factory fire or ship in trouble, you should mention the name of the company that owns it.

When you report on a company in general or business news stories, specify whether it is part of a larger corporate group.

When writing about economic data, it is not necessary always to put the numbers in the first

paragraph. Try to look for the bigger, broader picture.

General Rules

Taking notes

Whenever you go to meet somebody, do an interview over the phone or in person, you must write down your questions and replies. Be alert for any good quotes like an airline pilot working for a seaplane operation saying “we are barefoot pilots”.

You must date and keep your notebooks for at least two years, to refer back past notes.

Telephone and Fax

Check unsolicited telephone calls and faxes when in any doubt about the identity of the source by calling the company number, not the telephone number provided by the caller or fax.

Internet

Likewise, anyone can set up an Internet site. Some sites deliberately seek to confuse readers. For example, www.gatt.org was set up by an anti-World Trade Organization group to imitate the real WTO site www.wto.org.

Comparisons

Always provide an historical comparison for new economic, corporate and financial figures.

Comparisons may be from the previous month, the previous quarter, or from the same time a year earlier.

For example, ABC Coffee Plc's profits grew 35 percent to 100,000 rufiyaas in

2007 as against the same period last year

Numbers

Spell out one to nine. Use digits for higher numbers; i.e. 10, 100

If you are starting a sentence with a number spell it out, no matter how big it is – i.e. Fifteen thousand people were left homeless instead of 15,000 people were left homeless.

Use one decimal place for percentages on most economic indicator movements (for example, *tourism arrivals for 2007 rose 24.5 percent*).

In general use a maximum of two decimal places for all figures, unless unavoidable, for example to show a difference between two close figures.

Use trillions, not thousands of billions.

When writing about a number that is negative write *minus 46*, not *-46*.

Instead of writing 30 percent of children do not attend school, write a third of children do not attend school.

Quotations and sources

When quoting people, it is understood that they are talking to a reporter attached to a registered news organisation.

It is not necessary to write in copy: *"I have no comment," a spokesman told XYZ newspaper*. Instead write Mr. ABC declined to comment.

Write that the person is speaking to XYZ newspaper, however, if it is necessary to clarify the source of the comments or to emphasise an exclusive or important

interview.

Take extra care when you source information from websites like Wikipedia and Facebook.

Wikipedia and Facebook are useful information sources, but there is no guarantee that their content is accurate, that facts and figures are not tampered with and that the information is true to rely on without harbouring fears or doubts.

Journalists work with time bounds. And therefore for a reporter with little knowledge about the subject who source information from these websites could be easily misled and also misinform the readers.

ECONOMIC CONFERENCES

The key international conferences are the Group of Seven finance ministers, Group of Eight summit, International Monetary Fund-World Bank meetings, World Economic Forum in Davos, Asia-Pacific Economic Cooperation (APEC) forum and the Organization of Petroleum Exporting Countries (OPEC).

Closer to home, South Asia Association of Regional Cooperation (SAARC), Association of South East Asian Nations (ASEAN),

Writing guide

Key points to remember in reporting on economic conferences are:

- Action in the street such as mass demonstrations inside the conference centre.
- Bring the outside news into the copy. So do not write about discussions of economic turmoil while forgetting about a drop in oil prices on the same day.

- Look for the human angle; what the decisions of the conference mean to people reading the copy.
- World Bank/IMF annual meetings always release reports on development issues like lending for the poor, how regional trade agreements affect/benefit individual countries, how smaller economies cope with rising oil, wheat, milk prices.
- Keep a close eye on such topics and ask economists/officials from the Maldives Monetary Authority or officials from international agencies based here, as to how these issues will have an impact on our country.

For instance: if the European Union decides to increase duties on food imports, it may have a bearing on our fish exports to the region. You can get officials from the fisheries, trade ministry to comment on the issue. It would also be good to talk to fishermen or fish exporting companies to figure out how these changes will effect their businesses.

If you are covering the event on behalf of your media organisation, make contact with relevant officials in advance and ensure they keep you in the loop for news conferences and briefings.

CHAPTER ONE: What makes a good business story?

In many ways, a business story is no different from a general news story. It must be accurate, thorough, well-researched, balanced, fair and contain multiple sources of information.

In business stories, though, numbers and specific data are critically important.

The key questions in a business story are:

- “how much?”
- “how many?”

A story about the sale of the building, for example, must include the sale price, the size of the building, its age and the size of the property where it sits — otherwise, the story is incomplete.

The difference between an ordinary story about a new medical treatment and a business story on the same procedure is usually numbers: How much does the new procedure cost?

How does that cost compare with the price of the old procedure? Who or what is making money from this new procedure—the doctor, the hospital, the manufacturer, the pharmaceutical company?

A business reporter must never hesitate to ask questions about money and spending and to dig for the answers if they are not readily available.

Another difference is the angle (approach) that a business reporter takes on a subject.

For example, when writing about a new housing development subsidized by the government, the general news reporter may be primarily interested in:

- how tenants for the houses will be selected,
- how much they will pay in rent
- about political and neighborhood support and

- opposition for the project.
- But the business reporter also wants to know:
- which contractors have been awarded the construction bids for the project;
- how much each contract is worth;
- how many employees will be hired in the construction phase and then later to manage the project;
- where the capital (money) comes from to fund the project; and
- how that money will be repaid.

Every story, of course, could contain all of these elements. But it is the details about numbers and money that often are missing in media stories, and that is where the opportunity comes for those who are interested in pursuing the business angles.

SOURCES

Who do I need to talk to?

Business journalists particularly need people to talk to, sometimes called sources or contacts, to find stories. Because government/business decisions can be such a high stakes issue, there are many who want to keep things secret.

Your job is to discover the people who want these things made public and who will help you.

In most cases, reporters should start at the top and try to interview the key decision-makers.

Who should be in my contacts book?

Companies:

- When writing about a company, for example, try to interview the general manager or chairman/CEO/Managing Director.
- Reporters who establish themselves as accurate, reliable and fair professionals can win the confidence of top business leaders and will get better stories because of it.

PR/Press officers:

- Public relations officers/press officers are often delegated to deal with the media, and many companies will try to discourage reporters from going any further than that.
- Remember: they are paid to ensure the media portrays their bosses in the most favourable light. So do not to report their views unchallenged
- Also remember that it's the top business people who can best describe the firm's business strategy and often they are the only ones who can release certain important information not press officers.

Finance people

- The "numbers" people in an organisation – the chief accountant, chief financial officer or CEO – are other invaluable resources because they can often help explain confusing business strategies and other financial statements. In the interests of accuracy and thoroughness, they may be quite willing to cooperate.

Industry people

- Business reporters must make every effort to meet and know business leaders and to cultivate the contacts they make in the process of

reporting stories. These sources can provide background, tips on developing news stories and perspective on business and economic trends.

Politicians

- Whether you are working in newspaper or radio, you need to know politicians themselves.
- Introduce yourself to them, perhaps after a press conference, and fix a meeting or an interview if you can.
- Luckily, almost all politicians love talking and the skill is to know who to trust and how to use information carefully and sensibly.
- Sometimes the politician/cabinet minister may not know everything, so ask him or her to put you through to senior officials within their ministries to help you with more details of projects, contracts, tenders that are coming up on offer.
- Press officers are fine for some inquiries, but nothing beats a quote from the man or woman elected by the voters.
- Meeting a politician face to face will also help you get a feel for their personality, even if the way they behave can add colour to dry stories.
- When you meet someone ask yourself:
 - How good they are at trying to persuade you of their view.
 - Do they bully or try to charm?
 - Make sure you have contacts with other people in the industry to ensure you have a balanced view of your story.
 - Remember, your sources don't all have to be senior, but they should be people with their finger on the pulse of what a particular

group is thinking.

Civil Servants

- Civil servants are officially politically neutral. Though they are often wary of journalists, they may choose to talk if they fear that politicians are compromising their neutrality or planning something extreme.
- Officials and administrators, such as the clerks who run council committees, are also worth getting to know, as they can sometimes tip you off about agendas or backroom discussions.

CHAPTER TWO: What's the mystery behind economics?

Every journalist needs some grasp of economics, because money is behind so much of what politicians do.

You don't need to be an expert. But if you don't understand the basics, you won't be able to do your job. Politicians, bureaucrats, companies use statistics to promote their successes and hide their failures.

Here are some basic steps towards understanding economics:

- Be sure you know how the government raises money and be aware of how it is using its tax-raising powers - this is called **fiscal policy**.
- Who is paying most? Taxes that fall heaviest on the poorest, as a proportion of their income, are called “regressive”, while “progressive” taxes take more, the richer you are.
- Where else does your country's money come from?
- Be aware of how the government spends money – this is called **expenditure**. What are the government's priorities for spending? Perhaps it is putting money into education as an investment for the future, or into infrastructure, such as roads.

Be clear on the government's overall **economic policy**.

Does the government intervene a great deal to try to manage the economy, or only minimally, leaving things to the individual atolls, free market?

The levers the government can pull to steer the economy are:

1. **fiscal policy** (taxation)
2. **monetary policy** (setting the **interest rate** at which money may be borrowed)

- If the economy is slow, the government usually cut interest rates to boost growth and employment.
- On the other hand, if the economy is growing too fast, and is at risk of inflation or prices rising too fast, the government usually raises rates to slow spending down.

Understand the state of Maldives' economy.

Does spending exceed:

- Income, leading to high deficits?
- How high is unemployment?
- Are any major industries and services such as electricity, water, petroleum state-owned, or are they run privately?

A business journalist also needs to grasp the main external influences affecting the economy:

- the international prices of oil, food or other commodities;
- civil unrest at home or nearby;
- effects of severe weather conditions on people or a devastating influence on people, such as drugs, thalassaemia, malnutrition.
- If there is corruption, how severe is it, and what are the effects on the economy or on any international aid programmes?

WHERE DOES THE MONEY COME FROM?

- In a democratic country there is an implicit agreement between people and governments: people pay tax to fund the government of the country, but at election time they have the right to pass judgment on how those taxes are spent.
- It was the slogan "No taxation without representation", which triggered the revolution in Britain's American colonies in 1776. This led to the formation of the United States.

HOW DOES THE GOVERNMENT RAISE MONEY TO SPEND?

- This is a crucial part of a country, particularly during election time, not least because it is the way voters feel most directly affected by politicians. Voters weigh the "pain" of tax against the "gain" of improved services or a safer and more secure country.

Examples of how the government can raise funds

- **Direct taxation**

This can be imposed on working people's earnings or other income or, in the case of businesses, on profits (eg: like the tourism industry here is taxed on the number of beds they sell each night).

- **Indirect taxation**

Goods and services can be taxed. Some items may be exempt, (often vital items like infant food). Others are taxed at a higher rate (often imports, fuel, alcohol and cigarettes). In theory this is because the government wants people to buy less of them, but it is also because they can provide a major source of government income.

– **Borrowing**

Government can raise revenue through borrowing - either from the capital markets or banks, international bodies such as the International Monetary Fund (IMF), the World Bank or even their own people.

Usually, in the end, the loan has to be paid back from taxation too. So in fact, every baby born daily pays more for goods and services throughout his lifetime and perhaps the next, for monies the government borrowed to look after his grandparents.

If the government is borrowing money from the World Bank, the IMF or other such bodies, there may be specific conditions attached to the loan. Try to find out what those conditions are and whether they are being fulfilled. Does the loan and its conditions benefit Maldivian people as whole?

– **Selling**

Another source of revenue is from one-off sales of government assets. This is often called "privatisation".

Privatisation takes place when the government decides to stop running businesses and allows the private sector take over.

The main way of accomplishing this is for the government to sell the companies it owns, a process known as privatisation.

Apart from generating revenue, the government is keen to sell shares in a company if:

- they are being heavily subsidised,
- they feel private management can deliver goods and services efficiently at a cheaper cost
- they want people to own a share in a state enterprise and supplement their income when the company shares a percentage of their profits with all shareholders

However, because privatisations often result in greater "efficiency," they also cause job loss. So it is important to look at whether the government has a safety net for those workers who are put out on the street.

Another point to note is that the promised rewards don't always materialise. For instance, if there is no clear legal or regulatory framework to encourage competition in the marketplace, the dangers are acute.

In Russia, for example, many companies went from being badly run government-owned enterprises to being badly run privately owned enterprises. The new private sector companies, often still run as monopolies, were no more efficient, didn't deliver better services or products, and didn't cut prices or even create jobs.

To follow what can be a complicated and often politically challenging process, it is vital to know not just how companies are privatized, and also why they can fail.

THE PROCESS:

What Gets Sold?

- The government may choose to sell 100 percent of its ownership in a firm, (full divestiture).
- Or it may choose to keep a stake in the firm (partial divestiture).
- In order to qualify as a true privatisation, the government must sell at least 51 percent of the company and give up control of the management.
- A government may choose to keep a stake to reassure the public that it, the government, is still closely monitoring the country's strategic interests.

How is it sold?

1. **Public offerings:** Where the company is sold to the public on the stock exchange through an initial public offer (IPO) of shares.

Advantages: It helps to develop the stock market. It is also easier to make this a transparent process, where the public can see exactly who buys what and for how much.

It prevents a single politically powerful investor from snapping up all the shares. For these reasons, this process is also more likely to attract foreign investors.

2. **Direct Sales:**

The government sells the company directly to large investors. These strategic investors, usually a private company or group of companies, bid against each other to buy the firm.

They may bid in an open process with the highest offer accepted, or the government may choose to review potential buyers on a case-by-case basis.

Advantages: Competitive bidding is likely to bring the government the most revenue from the sale.

In addition, the method typically brings along a "strategic investor" who, in addition to capital, provides technological and managerial expertise.

Direct sale is also cheaper than offering the company for sale on the stock exchange, which often involves marketing and other costs.

Disadvantages: Direct sales may be politically unpopular since ordinary people have no opportunities to get a stake in the company. And since shares aren't issued or sold, this method does nothing to help develop the stock market.

3. **Mixed Sales:**

This is a mix of a direct sale to strategic investors, followed by a public offering, often held six to 12 months later.

For instance, the government can sell 20 percent of the company's shares to a strategic investor in one year and then sell another 31 percent two-years later through public offerings or IPOs.

Advantages: The big investors can carry out the changes needed to make the company more efficient and profitable by the time it is offered publicly. This often raises

significantly the company's value benefiting both the government and the new partial owner. It also helps develop the stock market.

Disadvantages: There is a cost to carrying out one type of sale, then another type, including fees to the investment banks that help organize the sales etc. Because of this, this method is normally used on large companies that are attractive to investors.

4. **Concessions:**

Sometimes the government may not give up its ownership of the company, particularly in the case of natural monopolies such as airlines, water, electricity, or infrastructure development.

Instead it will sell the rights to operate the company for a specific period of time.

This method aims to give the investors the freedom they need to make money, while still protecting consumers from exorbitant price rises. It can also be seen as a way of keeping ownership of a vital national asset.

WHAT SHOULD HAPPEN NEXT?

Ideally, after privatisation, the company should become more competitive and productive.

Ultimately, if it is successful, it should create more jobs, and deliver better goods and services to people at a cheaper price.

In addition, the government should be able to save the money it previously used to subsidise an inefficient company and spend it on things the country needs instead, such as healthcare, education, or roads.

To figure out if this will happen, ask these questions:

- Who bought the company?
- What are they doing to make it work better?
- Is the government doing what it must to create the right kind of economic environment for the company to succeed?

First, even before the privatisation has been held, you should be asking: What has the government done to prepare for this?

Things To Watch For:

- Large amounts of debt – Few investors will want to take over a government company that is deeply in debt. The government must usually takeover the company's debt and promise to pay it off separately, in order to sell the company free of debt. The alternative is to sell the company at a very low price to tempt investors to take on the debt, too.
- Competition policies – Just turning a government-owned electricity monopoly over to a private investor won't bring down prices or help the consumer without a new competitive environment.
- Has the government issued licenses to anyone else who wants to start up an electricity company? Is there a market regulator (also known as watchdog agency) that will make sure the monopoly will allow those competitors to use its infrastructure for a reasonable fee? What about the fees charged to consumers in less inhabited islands where there is no competition? Prices need to be high enough for the investor to make money, but low enough to give access to a large number of consumers.
- It's important to look at whether the new owner's plans for financing/investing new money are credible and well planned. The new owners will need to restructure the company in the short-term, while in the medium to long-term they will hopefully want to expand. It will be difficult to do either if they haven't the access to the funding they need.

Next, after the privatization, you should ask: What is the government doing to make sure the transition is as smooth and beneficial as possible?

Things To Watch For:

- Lay offs. In the short to medium term, there are likely to be job losses both before and after a company is privatized. Jobs may be cut before the sell-off as the new owners won't want a company with excessive employees and many state-owned enterprises are over staffed.
- Often the new owners will find that they have too many clerical and administrative workers. Laying off large numbers of white collar workers may be necessary for the company, but it could have harmful effects for the country's economy and political stability.
- Is the government making plans to soften the blow? Did the government take into account the new owners' layoff plans when it negotiated the sale?
- Some countries insert five year "no layoff" clauses into their sale contracts. Others require the buyer to provide severance packages to the workers it lays off.
- These severance packages, varying from a few months' to more than a year's salary, give the worker support while looking for a new job, or provide capital for people to start their own business.
- Shortages of skilled workers. While there are often too many administrative workers at a state-owned company, there may also be too few skilled technical employees available in the work force.
- Has the government set up any education and training programs to make sure the country is producing enough skilled workers? Has the new owner developed and implemented a training program? What about new hiring?
- Benefits. Many government companies include housing, education, health and child care as part of their employees' package.
- Has the government set up any safety net of benefits to replace the ones these workers will lose?

- When a government privatises a company it receives a big influx of cash. But, that is just a one-time effect. Over the long-run, the government will be losing out on the profits the company may have been earning while it was state-owned.
- To make up for that lost revenue, tax reform is often needed that introduces market-based tax systems that replaces old-style transfers into corporate taxation of the newly privatised company.
- Government interference. Once the government has given up management control of the company, it should not interfere with the running of the firm. Independent regulatory boards should be the ones to monitor price and competition policy.

THE NEW OWNERS:

The government isn't the only one to watch. The new owners are now responsible for the running of the company. Will they make it a healthy part of the economy and create jobs for the country? There are generally three types of new owners:

- Foreigners – Foreign investors pay for companies with foreign exchange. This is attractive for governments, who can use that money to pay off their foreign debt. Foreigners also bring in expertise and technology.
 - WATCH FOR: foreign owners who whisk future profits out of the country instead of reinvesting them This will spur political opposition to the whole privatisation process.
- Insiders – Inside owners are generally the managers and employees already at the firm.
 - On the one hand, these kinds of owners could be seen as having the most experience at running the company and having the most interest in seeing it succeed.
 - On the other, though, selling a company to existing managers risks them continuing with the same inefficient practices behind the initial problems.

- WATCH FOR: inside owners who are reluctant to make any change in the way the company is run, or who keep relying on the government for financial support and bailouts.
- Outsiders – These owners tend to be local entrepreneurs and businessmen.
 - In their favor, they will have a good understanding of the domestic marketplace, sufficient capital for expansion and technological improvements, and proven track record in business.
 - WATCH FOR: Outside owners with political influence who force the government to protect the company from competition.

What should the new owners be doing?

Things to Watch For:

- Incentives and training for workers.
 - In the short-term the new owners may have to bring in executives from their old businesses with the experience they need. But are they spotting workers with managerial talent and developing those employees? They will need to do this if they want to ensure stability and profits in the long run.
- Strategy.
 - Are the new owners identifying and terminating products or services that the company provided for purely political reasons?
 - Are they focusing on improving those areas where the company does have a competitive advantage?
 - Are they updating technology and labor skills?
 - If the company isn't making money in the beginning, how will it gain access to short-term cashflow?
 - Can it sell bonds or borrow from the banks? Does the new owner have the cash to invest in the company?

- Reporting requirements. Is the newly privatised company transparent
 - is there reasonable public access to information regarding the financial health of the firm?
 - If it is listed on the stock exchange, is it filing reports in line with the Securities Regulator?

- Profitability and efficiency. The company should tell you not just what profit it made, but some measure of its efficiency.

CHAPTER THREE: Where and how to find stories

Business stories can come from anywhere, but an organized division of subject areas can help reporters and editors ensure that they are keeping an eye on the entire picture.

Below are a few of the major news-producing sectors in business and some tips on what to look for:

BANKING AND FINANCE:

Banks often are the largest and sometimes the most influential institutions in the country.

Readers and viewers should be kept informed about the status of these banks:

- How many banks are there in the country
 - How many local, foreign
 - Who owns these banks, are they government or private owned

- How much money does each bank have in deposits?

- How does the bank raise deposits from locals, foreigners
 - What rates of interest do they pay on your savings, fixed deposits?
 - Does the interest rate change if it is local or foreign money
 - Do they offer higher interest rates for older people who are in their retirement age?

- What is each bank's loan portfolio (the total and type of all loans made)?
 - Are the banks lending more to locals/foreigners?
 - At what rate of interest do they lend?
 - Is there a separate lending rate for locals/foreigners?
 - What sectors do banks lend more, tourism, fishing, agriculture?

- Do they have a special loan scheme for small entrepreneurs at cheaper rates of interest?
- Which banks lend more to small business people, those who engage in self employment?
- Are the loans mostly for long term or short term projects?
- What is the bank's record on collecting the loans?
 - Do they find it difficult to collect loans because the companies have gone bad, not managed properly, the sector they have lent performed poorly
 - Do small entrepreneurs repay more often than big corporates
- What other assets does the bank have?
- Is it offering any new "products" (loans or services)?
- How do banks service people in remote islands – through ATM machines, bank branches?
- Do people use cash to transact or cheque books?
- What about credit cards?
 - How many people own credit cards
 - Is it growing this year, from what we have seen in past few years
 - Are ordinary people using credit cards more now
 - what interest rate does the bank charge when people don't settle their credit card bills?

This information is usually available from the Maldives Monetary Authority (MMA).

Most banks are strictly regulated and are required to provide basic financial information on a quarterly basis (every four months) to MMA.

The willingness and ability of banks to lend money, and the terms of such loans, are of great interest to local entrepreneurs and to bank customers.

In many areas, the bank is the only real source of credit available to local people. For those reasons, writing about trends and changes in banking, finance and lending are of utmost interest to readers and viewers.

Bankers, while required to maintain confidence about individual clients, can also be good sources of information about other events in the business community, since they usually have a wide circle of acquaintances and knowledge about the local situation.

HEALTHCARE:

- Many journalists are accustomed to thinking of healthcare and medicine as social issues, not business topics.
- But in fact, vast sums are spent on health care by the government, private enterprise and individuals, and the price of healthcare is of concern to virtually everyone.
- Moreover, healthcare is in many respects a business, in which people and institutions make and lose money every day.
- Hospitals, clinics, doctors, nurses, pharmacies, drug and medical equipment manufacturers and insurance companies are all worthy subjects for business reporting.
- Sometimes a story that most media outlets are covering from a medical or political or sociological point of view has a strong business and economic angle as well.
- AIDS treatment is a good example:
 - How many AIDS/HIV patients are there, is the figure growing? If its not growing how have we become successful to keep the number of patients low?

- How do people contract the disease through drug usage, blood transfusions, sexual partners?
- What sort of health schemes are available to such patients?
- Are their specialised units to look after them?
- Which hospitals, clinics, doctors or drugstores are getting a significant portion of their income from treating AIDS patients?
- Is this a profitable venture, or does the expense of treatment make it a loser financially?
- Has the cost of AIDS treatment or related issues – the difficulty of finding qualified or willing personnel, for example – prompted any facilities to drop such patients?

You can also use the same questions when writing about child nutrition, drug/substance abuse, dental care, eye care, diabetes, heart disorders etc

RETAIL:

- Every neighborhood or island has a lot of businesses of all sizes and shapes.
- These basic businesses drive the local economy's engine. Their success or failure is always a story, and may also tell a lot about how the local economy and local residents are doing.
- Supermarkets, grocery shops, petrol stations, tyre repair shops, bakeries, tailors, clothing and shoe shops, beauty salons, dry cleaners, video and music outlets, communication booths, – the list is nearly endless for the types of retail businesses.
- On its lowest end, retail reporting involves finding out about a single new business before it opens – ideally, even before ground has been broken on a shop and certainly before any press release is issued.
- But those are the simplest and often the least interesting stories (except when a major franchiser like McDonalds enters the area for the first time).

- Even when writing a story on a single business, it is essential to include multiple sources and examine the competition and market in that area.
- Trend stories – those that focus on changes in strategy, types of retail businesses, competitive or pricing issues – are the foundation of good retail reporting, especially when the journalist is the first to report on a new trend.
- Newspapers generally try to keep track of major events in the retail world: Ramazan season sales, new car sales, new products and hot fashion items.

TECHNOLOGY:

- Journalists in outer islands sometimes think that they have no opportunity to write about technology stories because the large software companies, computer producers and service companies are located in Male.
- But technology affects every business everywhere, and local entrepreneurs often are affected directly by changes and trends in this sector.
- Writing about technology innovations and trends in various industries – fisheries, agriculture, retail, real estate and hospitality, for example – require more than surface knowledge about the industry and good sources because most of these changes are internal and directly related to the way business is done in each industry.
- That's where good sources and connections in each industry prove invaluable.
- Regardless of the industry, there are certain key questions reporters should ask when doing such a story:
 - Describe precisely the difference between the new way of doing business and the old way.
 - What are the costs of making such a change? What are the benefits? How long will it take to recover the expenses?

- Is special training needed for employees to make the change?
- What are the competitive advantages/disadvantages of the technology change?
- Perhaps most important of all, because it is the question readers and viewers will ask, what impact will the change have on the consumer or user of the company's products or services?

Technology is also a good example of an area where reporters who keep abreast of international trends through reading can localise an international story.

LABOUR:

- Beyond employment statistics, business reporters keep track of changes in the labour market in terms of types of jobs, wages and changes.
- Good contacts with politicians, businessmen, trade chambers, aid agencies, friends, family members or others knowledgeable about worker issues and problems can lead you to good stories.
- Good contacts with owners and top executives is also key, to get both sides of stories.
- This topic is often a good place to look for the local impact of a national or international phenomenon or trend.
- For example, the topic of outsourcing labour for the hotel industry:
 - How does it affect local businesses?
 - Even if they are not outsourcing, is it affecting the prices they pay for products or services or their competitive position?
- Organised labour (unions) are not the only potential subjects for business stories. Workers who do not have unions or representation may have interesting issues and stories to tell.

- Any new business or expansion –or bankruptcy –involves labour issues that should be part of the story.
- Trends in labour markets are useful for people trying to enter the job market (students, housewives, part-time workers and so forth).
- Try to look for
 - what sectors (i.e. Transport, legal, media, health, tourism, banking) are advertising or looking for more people,
 - are they looking for technical skills – do you need to be professionally qualified now to be employed as against those days where only experience mattered
 - why are people joining/leaving the companies/sector? Is the salary, health and other benefits not enough?

HOSPITALITY AND TOURISM:

- Tourism is a key driver of the Maldives' economy, accounting for over a third of the national wealth.
- Attracting paying visitors can indeed have a big payoff, in terms of attracting revenue, and creating jobs.
- However, business reporters must look critically at such efforts. Merely announcing an effort to attract tourists or tout the advantages of local sites is not enough.
- Among questions that should be asked:
 - How much is the country/company spending to promote itself? Where and how is the money being spent? Ad and marketing campaigns are key to tourism efforts.

- Is the infrastructure – hotels, restaurants, roads, airports and other transportation modes – sufficient to support the goals for tourism? This is an area where first-hand observation by the reporter is essential. Official descriptions are often unrealistically optimistic and glowing.
- How many tourists does the government aim to attract? How does this compare with previous years? How does it compare with regions or countries that offer similar attractions?
- What do local business people think of the effort? Interview hoteliers, restaurateurs, local retail vendors.
- Do travel agencies' experiences verify the statistics and goals of the government? Travel agents are excellent sources of reliable, practical information on what sells and what doesn't, and what tourists actually want. But it's important to contact several such agents to get an overview, rather than simply individual anecdotes.
- Speak to tourists and ask why they come here, are they happy with their stay/facilities offered, what else would they like to have (i.e. More time to visit local handicraft shops, time to spend with local people and so forth)

STOCKMARKET:

- The Maldivian stock market may not reflect the true status of the economy, but its ups and downs give some indication on how companies, sectors and investors behave.
- The Maldivian Stock Exchange (<http://www.maldivesstockexchange.com.mv>), which is owned by four stock brokers and other private investors, currently has around five companies trading on its index.
- The stock exchange is governed by the Maldives Securities Act and regulated by the Capital Market Development Authority (CMDA – www.cmda.gov.mv).
- The primary role of a stock exchange is to provide a platform for companies to raise money through the issue of shares to investors. The MSE also facilitates

investors to buy and sell shares they own in companies that are listed on the stock exchange.

- There are four license stockbrokers (also known as dealing companies) currently authorised by the stock exchange to give investment advice and facilitate people to process their buy and sell orders.

- Each company listed on the stock exchange is referred to as a stock. A company usually gets a listing on the MSE by issuing shares to the general public; also known as Initial Public Offering or IPO.

- The MSE has two indices. The main one is known as Maldivian Share Price Index or MSPI has four companies trading:
 - Maldives Transport and Contracting Company Plc (MTCC)
 - Bank of Maldives Plc (BML)
 - State Trading Organization Plc (STO)
 - Maldives Tourism Development Corporation (MTDC).

- The secondary board (less strict board in terms of disclosure requirements), has only one company (Dhivehi Ekuveri Kunfuni (DEK) trading on the market.

- When reporting on the stockmarket, your article should include:
 - The movements in the Maldives Share Price Index – the MSPI index captures the overall movement in prices and changing expectations of the Maldives Stock Market
 - Total market turnover
 - The main stocks that dominated trading in terms of volume
 - When reporting on each stock, you should include the stock price, the percentage/points change and the number of shares (also known as volume). If possible get confirmation from brokers/company as to who bought and sold the shares. Trading information is useful for your readers to make their investment decisions on the market.

Reporting on corporate earnings:

- Listed or companies quoted on the stock exchange are required to release their financial statements at the end of each quarter.

- These earnings reports are often a good source of material to generate news stories, because they give an insight into the company's health, future growth strategies, a snapshot on names of people who are running the firm etc.

- When reporting company earnings your report should include:
 - Turnover (also known as total sales), net profit/loss – give comparative data (eg: comparing this quarter against the same quarter last year, or this year against last year)
 - You can get analysts from stock broking companies or speak to the company itself and ask where the growth/decline has come from, if so what are the reasons, future plans, future earnings forecasts.

ECONOMIC GROWTH NEWS:

The Maldives Monetary Authority or MMA (also known as our central bank) releases figures and a brief description of the country's economy each month. The information is available on their website under research reports/statistics. The MMA reports are illustrated with colourful graphs and tables to explain things/trends in a simple manner.

The MMA website gives details about its role in the country, a brief description about the economy, how they manage the rufiyaa, what sectors they regulate, how many banks/foreign institutions are there and so forth

The MMA homepage is also useful place to watchout as they put out public notices on their future plans – these could include inviting private investors into new areas, to tenders and so forth.

Use the public notice as a guide and then call up the MMA to get more background to the story – i.e. Why are they introducing it to Maldives, what sectors of people would benefit most, will it create more jobs, make it easier for us to do banking, access cheap credit and so forth.

These are just a few of the potential areas for local business stories. Others include agriculture, manufacturing, sports and advertising/media, to name just a few.

CHAPTER FOUR: How to make the story look interesting.

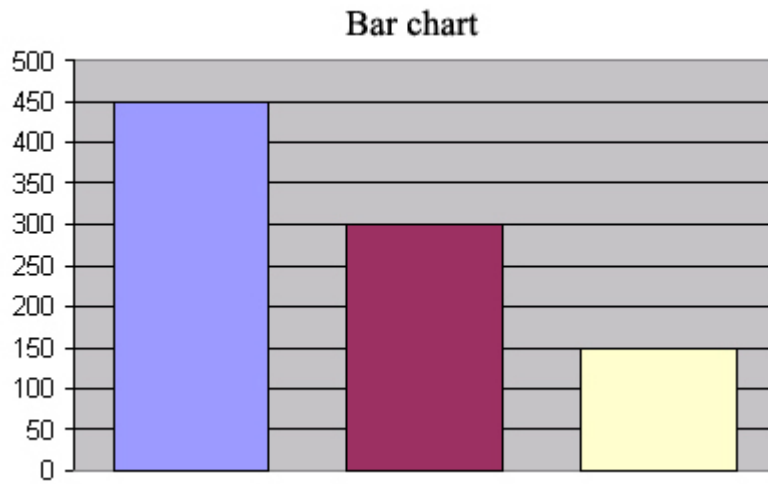
AVOID THE PRESS RELEASE; DIG UP THE NEWS

- The good business reporter never has to learn about a news story from a press release or press conference.
- Instead, the reporter strives to be the first with the news, picked up through regular contacts with a wide variety of sources in the business community.
- By the time a press release is issued or a press conference is held, the reporter is just one of a pack covering a story.
- In cases where the public announcement of a new venture or major change is the reporter's first clue about a news story, it is still essential to use multiple sources, to look for competitors and rivals and to look for the labour angle to provide a comprehensive, balanced story that goes well beyond the single-source story.

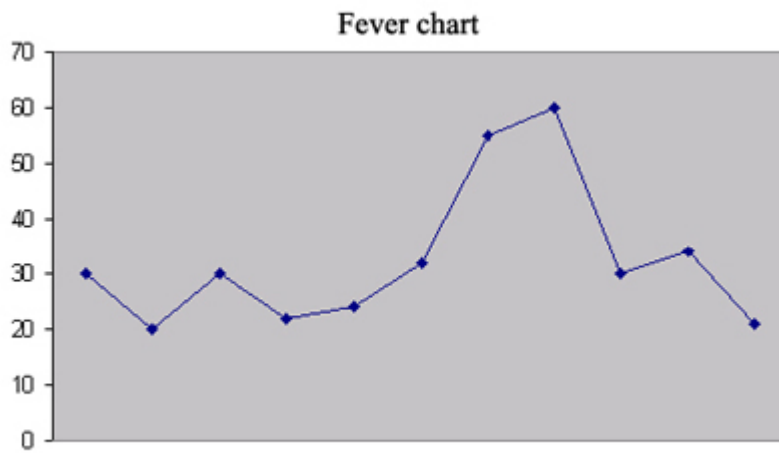
MAKE NUMBERS UNDERSTANDABLE TO THE READER/VIEWER

- Numbers are the vitally important element to any business story, but presenting them in a clear and simple way is essential.
- Whenever possible, use charts or graphs to present numbers. That also mitigates the need to clutter up the story with long paragraphs of impenetrable statistics.
- See the three examples below:

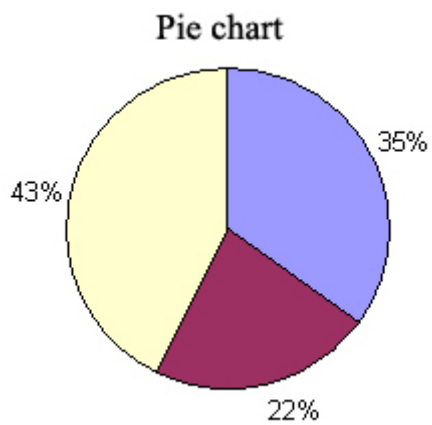
BAR CHART:



FEVER CHART:



PIE CHART:



CHAPTER FIVE: Taking down notes that make sense.

BEFORE THE INTERVIEW OR EVENT

Be prepared

Always carry spare pens and a notebook, so you don't run out of paper or ink. If covering a fire or flood or an event where you might get wet, be sure to take a pencil. Your notebook might get wet and the ink will run. Felt-tip pens are especially risky if your notebook gets wet.

Take a camera

If a photographer is not accompanying you for an interview, you might want to take a camera to shoot some pictures that may help you later in describing the setting or the people you meet.

Review previous notes

Before an interview, review your notes of previous interviews you may have done with the person you are going to meet, as well as notes of other interviews for this story or dealing with this issue.

Plan questions

Before an interview, plan questions you need to ask or topics you need to cover.

Don't refer to your list of questions frequently. It's more important for the interview to flow smoothly than to ask every question.

Write the topics you want to discuss on the backpage of the note pad in advance. Then you can take notes on the front and, as the interview comes to an end, flip to the back and make sure you didn't forget anything.

Collect documents. If you're covering an event, get a programme or agenda beforehand.

If you get lucky before hand, try to locate the main people before the event starts and ask them if their names are spelled correctly in the programme.

Start taking notes early

As you arrive at an event or scene, take notes that might be relevant: Setting description, weather, time, were people dressed in formal attire etc.

DURING THE INTERVIEW OR EVENT

Get the names right

- First things first: At any interview or event, get the names spelled correctly and double-check them.
- Ask the person you are going to interview to spell his/her name for you, however common the spelling (if it seems like a stupid question, make a light joke about it saying you are keen to ensure you get the facts accurately).
- Write the name clearly in your notebook as spelled, then read it back to the person as you have written it. Or ask the person to write his/her name in the notebook for you.
- Then read it back to him/her to make sure you can read their handwriting. Don't forget to also ask for a business card, which will have his designation, professional qualifications and contact details.
- In addition to ensuring accuracy, this little exercise underscores to the person you are going to interview that he/she's talking for the record and that you are taking notes of what he/she says and planning to print his/her name.

- If you are covering an event rather than an interview, get a program or agenda beforehand. Then try to locate the main people and ask them if their names are spelled correctly in the program.
- If someone you don't know speaks or does something during the event, try to get to him as quickly as possible and get his name. If that is not possible, ask someone who would know. Then try to run the person down by phone to verify.
- Your notebook should have each name spelled right, verified by the character. And if possible you should have at least one printed item with the name also on it.

Get contact information

- Either after you get the name or at the end of the interview, ask the source for contact information: home, work and cell phone numbers and e-mail address. Again, repeat these back to the character to make sure your notes are accurate.

Don't write everything down

- You are not a court reporter, trying to transcribe every word of an interview or event.
- You're a newspaper reporter, seeking to capture the important and interesting essence of the interview or event.
- Start making your judgments about what's interesting or important as you take notes. Don't waste energy or paper taking notes on things that you know aren't important or interesting enough for the story.
- Wasted notes waste more time later as you're looking through your notes for important information or strong quotes.

Distinguish between information and quotes

- When you are gathering information, you must get numbers, names and spellings correct.
- But the speaker's exact words aren't important, because information-bearing quotes usually aren't strong quotes. Concentrate on getting the facts correct, rather than the words with which the speaker delivered them.

Concentrate on the strong quotes

- When someone says something that conveys strong emotion or opinion, or when you hear some revealing dialogue, take verbatim notes. Echo the speaker in your mind as you write, committing the statement(s) to memory, so your memory will have the words as your hand catches up.

Slow the speaker down

If the speaker is giving information, slow her down by asking for details or sources:

- How do you know that?
- Are you sure?
- How is that spelled?
- Is that an approximation or the exact amount?
- Do you have some documentation?
- Sometimes its good to ask someone to pause for a second while you write down a quote verbatim. People appreciate efforts to be accurate.

Echo, echo, echo

- Slow the speaker down and get confirmation for your notes by echoing the speaker, especially about important facts: "You said 15 million rufiyaas, right, one-five million, with an M?"

Rephrase

- Maybe the he/she said something important, but it followed a powerful quote you were still scribbling down and you are not sure you got the second quote.
- Repeat what you thought you heard back to the person: "Let me make sure I understand this correctly. Did you say ...?" This gives you confirmation of the information and buys you time to take the notes. And maybe he/she will elaborate or say it stronger.

Ask throwaway questions

- When you start falling behind, ask a "throwaway" question about general background that you already have or personal information you don't care much about.
- This gives you a chance to catch up on your notes before you forget the important or interesting things the person just said.

Develop a shorthand

- Each story or beat will present abbreviations you can use to streamline note-taking, such as initials of people or organizations.
- You also can develop abbreviations and contractions of common words, perhaps omitting vowels or using a single letter with a prefix or suffix.

Ask for documentation

- Ask the person for the documents, photographs, videos and other items that tell more about her and what she is telling you. Go through them with her and take notes. Ask her if you can borrow or copy them.

Take notes on the setting

- Write down details about the person's home or office or about the room where the event takes place. If it's outside, take note of the weather. Write a paragraph or two about the setting if you have time. Ask the person about items you notice in the home or office.

Note your questions

- With a word or two and a question mark, note what questions you asked.

Identify speakers

- If you're interviewing multiple people at once or covering an event with multiple speakers, come up with a code to keep the speakers clear in your notes.
- Initials work, but beware of speakers with the same initials.
- If you have multiple speakers at an event and don't have names, write physical descriptions and come up with initials based on them: B for the man in the blue shirt; T for the tall woman, etc. Then get the ID's straight as quickly as possible after the event.

Take notes on senses

- Don't write just what you hear. Note what you see and smell, even what you feel and taste if those senses help tell the story. For instance, when covering a story about a fire, you must be able to describe the incident was the smoke heavy/light, difficult to see ahead, burning so hot that you couldn't breath etc

Note the emotions

- If the person raises his voice or starts to cry, write briefly what prompted the emotion and how the person reacted.
- Note your own emotions, too, and emotions of spectators. What was the most emotional moment of the event? How did people show the emotions?

Note what's off the record

- If the person wants to go off the record in some fashion, whether speaking for publication but not for attribution, or entirely off the record, either stop taking notes, or note in large letters in your notebook, OTR (off the record), NFA (not for attribution) or some other code that will be clear to you.
- If you think the person is telling you something later that's back on the record, ask if you're back on the record and write clearly in your notebook when you are back on the record. Ask and note the reason for going off the record.
- Either at that interview or later, use the notes to try to get some of the material back on the record: "I'd really like to use this, but I can't use it without your name. Is it OK to put this one statement on the record? OK, how about this one?" And so on.

Look up from your notebook

- As important as your notes are, your story is in front of you, not in your notebook. Look up and don't just listen and write.

AFTER THE INTERVIEW OR EVENT

Review your notes

- Immediately after the event or interview, review your notes. Do this even before you get back to the newsroom, when you are in the lobby of the building where the event took place.
- Where your scribbling is nearly illegible, write the words out neatly while they're still fresh in your mind.
- Fill out the partial quotes while you still remember them.
- Identify points to check with other sources. If a particular passage or a possible lead came to you during the interview, write it down immediately.
- As often as practically possible, type notes into the computer. It's then easy to move a great quote, or a reasonably well composed paragraph, into your text as you write.

Outline your notes

- Before you write, go through your notes and "outline" them, highlighting the good quotes or the important points. Mark related information with the same letter or code so you start to organize the material scattered through your notes.
- Take time to review your notes and do an outline. I usually tried a 1-2-3 approach: What's the beginning, middle and end of this story? Sometimes my 'outline' might only be three or four words.

Write immediately

- Even if you're not ready to write the full story, write what you have so far. This makes the best use of your notes by moving as quickly as possible from them to an actual story.

Ask, if you're not sure

- If you're writing and you can't make out something in your notes that you think was important, call the character back. You can say, "I thought this was what you said, but I just wanted to be sure." She may confirm, correct or elaborate. And she might tell you a couple things she thought of after the interview, stimulated in thought or memory by your questions.

Label and date your notebook

- Avoid the frustration of flipping through a stack of notebooks looking for that great quote you think you remember from six months ago. To tape or not to tape
- Don't rely too much on tape recorders. They can protect you against someone who might later claim he was misquoted, but don't just turn on the machine and kick back.
- Continue to take written notes. If the machine doesn't work properly then you have lost an entire interview.
- If you don't take good written notes, you also have to burn a lot of time transcribing the tape. That type of long transcription should be only for a Q-A story (Question and Answer story)

Tapes are helpful in these situations:

1. Interviews that you know could be risky. Use of the tape recorder might head off claims that you misquoted the person.
2. Interviews with a person you know to be a fast talker.
3. When lengthy dialogue or a Q & A format will be important. Few reporters can take accurate verbatim notes that long.
4. If you are inexperienced at taking notes and know your notes are not very good, a tape recorder can help while you are gaining experience.

If you use a tape recorder:

- Take notes as if you weren't recording, because sometime the recorder will fail, and at the worst possible time.
- Make sure you have plenty of tapes and fresh batteries.
- Choose a quiet setting. Background noise in a restaurant or music will drown out the quote you're looking for on the tape.
- Ask if the person minds you recording. Sometimes a recorder makes a character uneasy. Say that the recorder helps ensure your accuracy.
- Reset the counter to 0 before you start recording. Check the counter now and then, writing the count in your notebook. Be sure to write down the count especially after a key quote that you might want to use. That way you can find quotes quickly.
- Label your tapes.

CHAPTER SIX: Economic data reports.

Most figures concerning the Maldives economy are compiled by the Maldives Monetary Authority (MMA), also referred to as the central bank in our country.

Each month, MMA research department releases a report giving a detail breakdown and a short summary on the country's economy. The monthly report usually has figures in tourism arrivals, tourism earnings, labour data, trade and manufacturing figures, inflation, interest rates, the total assets/liabilities in the banking system, the country's total dollar reserves, the government's revenue/expenses

The monthly report is usually released on a Sunday and comes out few days after the previous month has ended.

MMA also issues a four monthly or a quarterly report covering the same data. That report is also available on their website research department.

GROSS DOMESTIC PRODUCT

- **Gross domestic product (GDP)** is the total value of all goods and services produced in a country.
- **Gross national product (GNP)** is the value of a country's goods and services, plus the income from investments abroad but minus income owed to foreign investors.
- Most countries measure economic activity by **GDP**. In a few countries such as the Philippines, which depends on income from Filipinos who work abroad and send the money home, **GNP** is also an important measure.

Writing guide

Gross domestic product figures tell a story about the economy. Do not present your story as a list of data.

For example, do not write:

Maldives' gross domestic product (GDP) rose by 0.2 percent in the second quarter of 2007 from the first three months of the year, and also by 0.2 percent from the same period one year earlier, preliminary figures released by the Maldivian Monetary Authority showed.

Write a news story instead. For example:

Maldives economy bounces back despite a drop in fish production

The Maldivian economy recorded its strongest quarterly economic growth rate in two and a half years in the three months to June despite a slide in fish catch, official figures showed.

- Always tell readers whether the **GDP** figures are being presented on an annualised basis.
- Say whether **GDP** is being compared with the previous quarter or with the same period a year earlier.
- Don't forget to mention how much the economy is worth in terms of rufiyaas, dollars...

CONSUMER PRICES

- Issued by the Planning Ministry, the **consumer price index (CPI)**, also called the cost of living index, tracks changes in the cost of a basket of goods and services such as food, housing, transport and electrical power.
- It is the most widely-used measure of inflation at the retail level. Other measures include the **producer/wholesale price index**, which tracks inflation

at the wholesale level.

- **Inflation**, a sustained increase in prices, erodes the value of a country's currency and assets and distorts decision-making in the economy.
- Inflation can become self-sustaining, leading to an **inflationary spiral**. If inflation declines you have disinflation; this means that increases in prices are slowing. But when prices actually fall, you have **deflation**.
- **Deflation**, a sustained fall in prices, is usually a sign of a contracting economy. It reduces company profits, often leading to pressure for job cuts, depresses consumer demand.
- Deflation also can become self-sustaining, leading to a **deflationary spiral**.
- Higher interest rates tend to cool economic activity and place downward pressure on prices.
- Lower interest rates tend to accelerate economic activity and place upward pressure on prices.

Writing guide

Consumer price data is released at the end of each month.

Try to write a story on its broader effects on ordinary people's lives.

Try to include a reason for the rise or fall in consumer prices, such as a drop in onion prices or the rising cost of electricity.

Avoid jargon. Do not write: *The consumer price index (CPI) rose 0.2 percent.*

Prefer: *Consumer prices rose 0.2 percent.*

For example:

Consumer prices in Maldives rose to 6.8 percent in December, due to higher costs of imported food items and fish, the Maldives Monetary Authority said.

Inflation, as measured by the Consumer Price Index, rose 0.4 percent from 6.4 percent recorded in November.

UNEMPLOYMENT

- The **unemployment rate** is the proportion of the **workforce** (people in work or actively looking for work) without a job. It is not a proportion of a country's entire population or adult population out of work.
- The **workforce** shrinks as people retire or give up looking for work. The **workforce** expands as people start look for work.
- It is possible for a country's **unemployment rate** to rise even as companies are hiring more people.
- Often, an economic recovery will lead more people to start looking for work. The new job seekers immediately count as members of the **workforce** without a job. If the rate of new hiring fails to keep pace with the expansion in the **workforce**, the **unemployment rate** rises.

Writing guide

The **unemployment rate** must be reported with a short factual.

For example:

Maldives jobless rate edges up to 14 percent in January

The Maldives unemployment rate edged up to 14 percent in January while businesses created an extra 36,000 jobs, far fewer than had been expected, the government said.

Follow it up with a paragraph giving details about how many people were unemployed in January as against the number of those without jobs in December.

Your next paragraph could have a quote from the Labour Ministry giving reasons why people are unable to find jobs.

“Most of the new jobs currently available in the market are for professionals like engineers, nurses. We don’t have enough local people qualified enough to take up those jobs,” the minister of labour xxxx said.

The next paragraph could give some data like 20,000 of those without jobs were women, who lacked higher education qualifications.

Give a quote from someone who is without a job, get him/her to tell you why they cant find work, or the type of jobs they are looking for.

Another paragraph could look at the geography or the age group of those unemployed. Back it up with a quote from someone in another island who is without a job. Again ask them to tell you why they cant find work in those areas etc.

You can add a paragraph or two by speaking to local companies or government ministries as to why it is hard to find people to fit into jobs.

You can perhaps end the story by asking the government how they plan to address the issue i.e. creating more vocational training schools for people to get trained, updating the school curriculum to ensure children study subjects that are suitable for the job market, have regular career guidance meetings with parents and children to ensure people are aware of what job opportunities are available in the market.

Glossary

Cyclical unemployment

- Cyclical unemployment is the level of unemployment caused by a cyclical slowing in the economy.

Fire/sacked

- Beware of writing that someone has been fired, which indicates the person has lost a job as a result of wrongdoing. Its the same as writing that a person has been sacked.

Redundancy

- A person is made redundant because the job function is no longer needed.

Structural unemployment

- Structural unemployment is caused by factors in the economy that restrict the potential growth rate.

CURRENT ACCOUNT

- The **current account** is the widest measure of a country's day-to-day trading relations with the outside world, tallying movements in goods and services, the flow of investment returns, and one-way payments such as foreign aid.
- Do not confuse the **current account** with the **capital account**.
- The **capital account** measures the balance between one country and the rest of the world in sales and purchases of assets such as factories or stocks and bonds.
- Taken together, the **current account** and the **capital account** form a country's **balance of payments**, the record of a country's entire financial transactions with the outside world.

Background

- If a country has a **current account deficit**, it has been spending more on foreign goods and services than it sells. It must sell assets or borrow from overseas to finance the spending.
- A high **current account deficit** often depresses or depreciates a country's currency because of investors' concerns about how long the spending can be financed from overseas.
- But there are arguments in favor of a **current account deficit**.
- In the United States, for example, some analysts say the **current account deficit** simply reflects the fact that foreign investors buy US stocks, bonds and factories and then reap the rewards.
- In theory, the **current account** and **capital account** should balance out in the overall **balance of payments**.

TRADE

- The trade balance measures the flow of imports and exports of merchandise and services.

Writing guide

Give a reason for the change in a country's trade balance, preferably in the first paragraph.

For example:

Maldives' trade surplus rises 71.4 percent in June on higher fish exports to Europe

Surging exports to Europe have offset poor demand from Asian markets to lift Maldives trade surplus in June 71.4 percent from a year earlier, the finance ministry said.

The key figures are the overall trade surplus or deficit, overall exports, overall imports

and the breakdown of those figures for goods and services.

Look for stories about shifts in trade with major countries, the impact of trade disputes, and how the trade balance affects the overall economy.

Chapter Seven: Stock Market

Writing guide

Share market reports follow the same rules as general news stories. But write for any reader, not just traders.

Full stock market reports must contain at least the following:

- Include the full name of the indexes
 - The change in major market indexes in points and percentage terms;
 - The total turnover for the day, has it increased or decreased against the previous day
- The cause of the change or, if unknown, at least the background against which the change took place;
- Direct quotes, preferably from two or three named brokers;
- Changes in the share prices of major companies or of companies that swayed the market.

Share prices close marginally higher

Share prices closed marginally higher on Tuesday after the Bank of Maldives announced a 10 percent growth in profits, dealers said.

The Maldives Stock Exchange Index closed up 10.36 points or 0.69 percent at 1,516.15, off Monday's high of 1,539.25.

Total turnover for the day was 12.5 million rufiyaas up from 10.2 million rufiyaas reported on Monday.

Shares of Bank of Maldives rose 10 rufiyaas to 250 rufiyaas after the company announced its profits had grown to 10,000 rufiyaas during the year ended December 2007.

Perhaps a quote from a stock broker saying why the Bank of Maldives profits have gone up and its impact on the company's share price.

Shares of Maldives Transport and Contracting Company climbed 10 percent or 25 rufiyaas to 250 rufiyaas, while State Trading Organisation fell two percent or 30 rufiyaas

to 680 rufiyaas.

Get a quote from the stockbroker as to how the market is expected to behave/move the next day/next week.

Share price changes must be given in actual terms and optionally in percentage terms to two decimal places, for example: *Dhiraagu Telecom group rose 22 cents, or 17.19 percent, to close at 1.50 rufiyaas after it announced a price increase in phone calls.*

Background

Shares represent ownership in a publicly traded company. If Pepsi Cola has one million shares outstanding -- owned by the public -- and you own one share, then you own one-millionth of Pepsi.

The value of a share is subjective.

Many investors judge the value of a share by the fundamentals, or the prospects for the underlying company. Fundamental or qualitative analysis looks at the prospects for growth and other barometers such as the **price to earnings ratio**, **dividends** and **return on equity**.

Some people argue that fundamental analysis is useless because all investors have basically the same information anyway.

They use technical, or quantitative, analysis, which ignores the underlying company and focuses on complex mathematical models to pick companies with the best prospects.

Chapter Eight: Profit and Loss Reports

- Publicly owned companies must provide regular profit and loss reports to investors and market regulators. Frequently the reports are skewed to gloss over faults while boasting of small achievements. Rarely, they are outright misrepresentations.
- Use corporate reports to produce balanced, accurate news stories that will interest any reader, not just a stock market investor looking for an accounting summary. Look out for news about people such as job cuts or inflated salaries for bosses.
- Profit warnings, in which companies alert investors to the likelihood that profits will be worse than had been expected, are as important as the official results.

Writing guide

Avoid cluttering up a story with a list of figures but provide sufficient data to back up your story. At a minimum, provide figures for **net profit** or **net loss** and **revenue** including the difference from the same period a year earlier and the reason for the change.

In general, angle stories on the net profit or loss.

Do not hesitate to take news angles that are unrelated to the earnings such as the firing of a chief executive, the sacking of thousands of staff or the company securing a big order.

Give readers a rough description of a company's business – national carrier Island Aviation Services Plc not simply Island Aviation Services.

For example:

Maldives Air Taxi profits fall two percent

Maldives Air Taxi, the country's biggest seaplane operator, announced on Tuesday a drop in annual profits due to an unusual rise in global oil prices.

*Next paragraph try to get the company outlook for profit or revenue. For example:
Maldives Air Taxi said profits fell 2.2 percent to 10 million rufiyaas for the year ended
December after world oil prices shot up to 100 dollars a barrel.*

*Next paragraph: add a quote from the company saying why they have made a loss.
Follow it up with an explanation of why they were unable to pass on higher oil prices to
ticket sales.*

*Get the company to say how they plan to avoid sudden increases in oil prices in the
future.*

*End with a quote from a stock broker or industry analysts explaining the challenges MAT
faces and whether they can make a profit next year.*

QUOTATIONS

- Include quotations. Most company statements contain quotations from the chief executive or the chief financial officer. These can be updated later if the company holds a news conference with reporters or analysts.

ACCOUNTING GUIDE

- Always compare figures with the same period of the year before. If you are dealing with annual 2007 profits, compare with 2006.
- Prefer **consolidated** results, which include a company's subsidiaries. In copy, however, it is not necessary to write *consolidated net profit* or *consolidated net loss*. Write **net profit** or **net loss**.

- When reading a company statement, check whether the figures are denominated in thousands or millions. Note that figures presented within brackets are negative – eg: Net income (loss) ...(2,115 rufiyaas)
- Company reporting periods frequently have no relation to calendar years. Always provide the relevant dates. For example, write *January-March period of 2007* or *first three months of 2007*, not just *first quarter*.

BALANCE SHEET

- The **balance sheet** accompanying a profit and loss account discloses the company's **assets, liabilities** and **debt**.
- **Current assets** can be converted into cash in the time it takes to sell a product and receive the payment.
- **Total assets** include items such as plant and equipment.
- **Current liabilities** are debts to suppliers and creditors due in less than a year.
- **Long-term liabilities** are due in more than a year.

CASHFLOW

- **Cashflow** is net profit minus preferred dividends and depreciation.

DEPRECIATION

- Depreciation is either the decline in the value of company property or the practice of paying off the cost of an asset over a period of time for tax reasons.

DIVIDEND

- Unless newsworthy, it is not necessary to give the **dividend** in company reports.
- A dividend is a cash payout by a company to its shareholders. It is a way for a company to distribute earnings directly to its shareholders in good times. Many countries discourage the practice of distributing dividends when a company is making a loss.
- There is an interim dividend for the first half of the year and a final dividend for the second half of the year.
- People thinking of selling a company's shares often will wait until they have qualified for the dividend payment.
- People also are keener to buy shares just before they qualify to receive a dividend.
- So a company's shares often fall in value just after the qualifying date, a phenomenon known as "going ex dividend".

EARNINGS PER SHARE (EPS)

- **Earnings per share** are the net profit divided by the number of shares outstanding in a company. Look for the line in the earnings statement, just below net profit, that refers to *fully diluted earnings per share*.
- Often the earnings per share can be slipped into a story.
For example:
XYZ Co. said it made a net profit of 456 million dollars or 56 cents a share in the January-March quarter compared to 45 million dollars or six cents a share in the same period a year earlier.

NET LOSS

- If total costs exceed total revenue, the company reports a **net loss**.

NET PROFIT

- **Net profit** is a company's total revenue minus total costs, including taxes. If total costs exceed total revenue, the company reports a **net loss**.

OPERATING PROFIT

- An **operating profit** is a company's profit from ongoing operations, calculated by profit minus tax expenses and interest payments for borrowing. It can be a useful measure of a company's underlying ability to make profits.

PRE-TAX PROFIT

- **Pre-tax profit** is the net profit before taxes have been paid.

REVENUE/SALES

- **Revenue** is the amount collected for goods and services provided by a company. For most companies, sales and revenue are the same thing. For banks and other financial institutions, write *revenue*, not sales.

Chapter Nine: Public Offerings

When a company offers shares for sale to the public for the first time, it is making an **initial public offering**.

After the initial public offering (IPO), the company is public. If a public company wants to raise money on the stock market later, it can issue more shares through a **follow-on offering**.

Writing guide

In the first paragraph, include the estimated value of the proposed initial public offering.

In the body of the story, say:

- ☐ What the company wants to do with the money.
- ☐ How many shares are to be issued and what type of share i.e. ordinary shares or preferred shares.
- ☐ The expected listing date, when available.
- ☐ Who are the **underwriters**?
- ☐ The size of the company in terms of revenue.

To calculate the value of an initial public offering, take the company's price range and multiply by the number of shares to be offered to give a minimum and maximum value.

For example, if an offering has an estimated price range of 20 dollars to 30 dollars a share and 10,000 shares are being issued, the estimated value ranges from 200,000 dollars to 300,000 dollars.

For a simpler estimate, take the mid-point of the price range and multiply by the number of shares on offer but tell readers the estimate is based on the mid-point of the price range.

For example, if an offering has an estimated price range of 20 dollars to 30 dollars a share and 10,000 shares are being issued, the estimated value is the mid-point of the range, 25 dollars, multiplied by 10,000, which comes to 250,000 dollars. In copy, write:

worth 250,000 dollars according to the mid-point of the company's estimates.

When the results of the offer are in, say how many times the shares were subscribed.

Divide the number of shares subscribed for by the number on offer. So if there were 5,000 requested but only 50 on offer, it was subscribed 100 times. In the same case, it was oversubscribed 99 times.

HOW A TYPICAL INITIAL PUBLIC OFFERING WORKS

1. The company files a **registration statement** including a preliminary prospectus with the market regulators. It has details such as a non-binding **price range** and number of shares to be issued, how the money raised will be used, company financial history, growth strategy and major competitors.
2. Regulators check the registration statement. Usually, they will ask the company for clarifications on several points.
3. When the questions have been cleared up, the company prints a nearly-complete prospectus, known as a **red herring**, so called because of the red warning label stating that it is not a final prospectus.
4. The company management meets with investors/firms who are willing to invest in the company to discuss the merits of the initial public offering to institutional clients. This is known as a **roadshow**.
5. The lead underwriter and other investment banks – known as **the syndicate** -- and the company decide on a final price for the deal. Usually, the aim is that on the first day of trade on the stock market, the shares will climb 10-15 percent.
6. A **final prospectus** is printed.
7. Regulators clear the sale of shares by declaring the initial public offering **effective**.
8. On the following business day, trade in the shares begins.

NEW ISSUES

- When a public company issues new shares, give the amount of money being raised in the first paragraph.
- Multiply the number of new shares by the sale price, not the face value, of the shares being issued.
- Earnings per share are calculated by the net profit divided by total number a shares. Mathematically, therefore, a new share issue automatically lowers the earnings per share. This dilution of earnings usually leads to a fall in the share price on the stock market after a new share issue.

Glossary

Bonus issue

- A **bonus issue** is a free distribution of shares to existing shareholders.

Book

- The **book** is the list of buy and sell orders compiled by the lead underwriter.

Flipping

- **Flipping** or **staggering** is the selling of a hot initial public offering stock in the first days of trade to make a quick profit.

Greenshoe

- A **greenshoe** is an agreement under which the underwriter is allowed to buy more shares in an initial public offering after trade begins.

Lead underwriter

- The investment bank in charge of setting the price and allocating shares to other members of the syndicate.

Chapter Ten: How to Report on Budget.

I want a juicy story!

- Although reporting on budgets might seem less 'sexy' than the usual suspects of politics, entertainment or flooding, 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 and economic 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 journalist's job is to shine a spotlight on all expenditures as well as on all sources of revenue, whether from taxation, natural resources or international loans, to provide as much transparency as possible.
- This will help journalists 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 favoring the rich or the poor and will highlight potential cases of corruption and mismanagement.
- Make Budget Stories Interesting, Colorful and Lively.
- Even within the constraints imposed by the most tight-lipped government, journalists have a crucial role to play in bringing home the true impact of the budget 'in the field,' in accessible language and with vivid imagery and examples. Yes, that's right, vivid!

- Figures themselves might not be vivid, but when you put a human face on them, that is a different matter. And the journalist must do this by highlighting the full impact, social and otherwise, of these figures on real, living people. That is what it's all about.
- If changes in taxation favor the rich and adversely affect the poor, the journalist's first task is to say so, fully explaining why and how.
- But equally important, if not more so, is showing, not just saying – a skillfully chosen living example with comments of the people actually affected, one way or the other - is worth much more than the sum total of its words.
- In your very first story on the latest budget write a detailed portrait of a poor family, with quotes, in reaction to the latest changes. Get the reactions of the civil society groups like aid agencies, economists. And never forget to get an equally detailed portrait from the wealthy family, or business, that -benefits. That could provide yet more telling, biting spice to your story.

FISCAL POLICY

- Fiscal policy is the government's policy on spending and taxation.
- A loose fiscal policy either lowers taxes or increases spending with the aim of boosting total spending in the economy. A tight fiscal policy raises taxes or lowers spending with the aim of reducing total spending in the economy.

Writing guide

- The presentation of a government's budget is the main news story on fiscal policy.
- The first paragraph of a story on a government's budget should provide the

government's forecast for the deficit or surplus. The deficit or surplus is calculated as government income, usually mainly from taxes, minus expenditure.

- The body of the story should include the following forecasts:
 - deficit or surplus,
 - total expenditure,
 - total income,
 - changes in tax.

- Other key elements may include:
 - Changes in spending for key departments such as education, health
 - The government's outlook for economic growth, inflation etc.
 - Expectations for total debt, how the government will fund the debt.
 - Public debt servicing
 - Foreign aid income as a percentage of the total expenditure.

- Key budget figures should be given in figures and as a percentage of the total budget. For the deficit or surplus provide the figure and the percentage of **gross domestic product**.

- Do not describe the budget only in terms of a percentage of GDP.

- Try to make the figures tell a story of causes and effects, rather than reading as a list.

- Remember that angles, such as an increase in the price of a soft drinks due to higher taxes on carbonated drinks is usually of interest to ordinary people.

- Specify the status of the budget, whether it is being presented to parliament or has been approved.

Glossary

Budget deficit

- A budget is in deficit when total expenditure exceeds receipts.

Budget surplus

- A budget is in surplus when total receipts exceed expenditure.

Primary surplus

- The primary surplus is the surplus before deducting the cost of servicing the debt.

Chapter Eleven

SPIN

- Have you ever had a phone call just after a business announcement, from an adviser giving you a "helpful" analysis of what you have just heard? Or have you even been offered first details of a new policy, provided you write your story in 'positive way'?

- If so, you have already encountered **spin** - the term for techniques used to persuade - or manipulate - the media in order to secure favourable coverage. The dictionary definition of this type of spin is "a special point of view, emphasis, or interpretation".

- Spin is a big challenge for modern economic journalists. Businesses argue that, because they face a competitive and often hostile media, they have to try to 'form' the news agenda themselves. Journalists reply that if businesses try to control the way they are reported, people will trust them even less.

What can journalists do about spin?

- The first step is to be aware of what's going on, and learn to recognise when and how businesses are trying to influence you.

- You then need to ensure that you always look behind the message being presented: ask yourself what is being played down, or what is not being said.

- Don't be afraid to tell readers about the attempt to manipulate the news. Tell them when businesses or policymakers try to sideline uncomfortable facts, or show how both sides are trying to persuade people.

- If you are offered an important 'exclusive' story - in exchange, you suspect, for 'positive' copy, be suspicious. Think out the implications carefully. Do you want or need to enter into this kind of relationship? If you are first with the news, but

only half the story, is it fair to your readers, who don't know that a "deal" has been struck ? Later, of course, you may also look naive or stupid because you have failed to point out negative aspects of the story

INTERNATIONAL ORGANIZATIONS

Asia-Pacific Economic Cooperation (APEC) forum

APEC was established in 1989 to foster relations among Asia-Pacific economies. Begun as an informal dialogue group, APEC was set up as a vehicle to promote open trade and practical economic cooperation. Its goal is to advance Asia-Pacific economic dynamism and sense of community. APEC trade ministers, finance ministers and leaders hold separate meetings annually. It has 21 members, Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, Taipei, Thailand, the United States and Vietnam.

Asian Development Bank (ADB)

The ADB is a regional lending agency based in Manila, aiming to promote the social and economic progress of developing countries in the Asia-Pacific region. Set up in 1966, the ADB now has 61 members. Japan is the biggest shareholder followed by the United States. The bank's president is traditionally Japanese.

Association of Southeast Asian Nations (ASEAN)

The Association of Southeast Asian Nations was established on 8 August 1967 in Bangkok by Indonesia, Malaysia, Philippines, Singapore, and Thailand. Brunei joined in January 1984, Vietnam in July 1995, Laos and Myanmar in July 1997, and Cambodia in April 1999.

The ASEAN seeks to accelerate economic growth, social progress and cultural development, and to promote peace and stability in the region.

ASEAN foreign ministers meet around the middle of each year and later hold separate talks with counterparts from the group's six "dialogue partners"—Australia, Canada, the European Union, Japan, New Zealand and the United States.

European Union

The European Union was set up after World War II. European integration was launched on May 9, 1950 when France officially proposed to create the first concrete foundation of a European federation. Six countries, Belgium, Germany, France, Italy, Luxembourg and the Netherlands, joined.

After four waves of accessions – Britain, Denmark and Ireland in 1973, Greece in 1981, Spain and Portugal in 1986, and Austria, Finland and Sweden in 1995 --the EU has 15 member states. It is preparing for the accession of 13 eastern and southern European countries.

European Union members delegate sovereignty to common institutions representing the interests of the EU as a whole on questions of joint interest. All decisions and procedures are derived from the basic treaties.

The EU is run by five institutions:

- ☐ European Parliament, which is elected by the peoples of the member states;
- ☐ Council of the Union, which is composed of the member state governments;
- ☐ European Commission, which is the executive body;
- ☐ Court of Justice, which ensures compliance with the law;
- ☐ Court of Auditors, which oversees the EU budget.

Five more bodies are part of the institutional system:

- ☐ European Economic and Social Committee, which expresses the opinions of organized civil society on economic and social issues;

- ☐ Committee of the Regions, which expresses the opinions of regional and local authorities;
- ☐ European Ombudsman, who deals with complaints from citizens concerning misadministration by an EU institution or body;
- ☐ European Investment Bank, which contributes to EU objectives by financing public and private long-term investments;
- ☐ European Central Bank, which is responsible for monetary policy and foreign exchange operations.

European Union members' national fiscal deficits are required to remain below three percent of gross domestic product (GDP). Public debt must remain below 60 percent of GDP.

Euro zone

The organization of European countries have formed a common group to increase economic integration and strengthening cooperation among its members.

The European Union was formally established on November 1, 1993. The European Union headquarters is located in [Brussels, Belgium](#). As of 2007 there were 27 countries in the EU.

Denmark and Britain have opt-out clauses, which imply that they are not obliged to adopt the euro.

The euro area is composed of: Belgium, Germany, Spain, France, Ireland, Italy, Luxembourg, The Netherlands, Denmark, Ireland, UK, Portugal, Austria, Finland, Sweden, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia, Romania and Bulgaria.

Group of Seven (G7)

The G7 members are Britain, Canada, France, Germany, Italy, Japan and the United States. G7 finance ministers and central bank governors meet several times a year, including in the run-up to the annual meetings of the World Bank and IMF.

Group of Eight (G8)

Group of Eight members are the G7 plus Russia, which joined in 1998 but is still excluded from financial gatherings of the industrialized elite. The G8 holds annual meetings of ministers and an annual summit.

Group of 10 (G10)

Actually 11 countries, the G10 comprises the G7 countries plus the Netherlands, Sweden and Belgium -- and Switzerland. They effectively agreed to abandon fixed exchange rates at a meeting in Washington in December 1971 by dropping the so-called gold standard and devaluing the US currency from 35 dollars to an ounce of gold to 38 dollars.

Group of 77 (G77)

The G77 has 133 member countries. It was set up in 1964 to represent the interests of its developing country members.

International Monetary Fund (IMF)

The IMF, which groups more than 180 member countries, was set up in 1944 to:

- ② Promote international monetary cooperation, exchange rate stability and orderly exchange arrangements;
- ② Foster economic growth and high levels of employment;
- ② Provide temporary financial assistance to countries to help ease balance of payments adjustment.

The IMF meets twice a year: the annual meeting is usually held in September and the spring meeting in April.

The command chain runs downwards from the board of governors, composed of finance ministers and central bank governors, to the International Monetary and Financial Committee, consisting of 24 governors, and the executive board of 24 executive directors representing more than 180 member countries.

The managing director of the IMF is traditionally a European.

When the IMF extends credits to support economic reforms, it reviews the adjustment programs regularly before unlocking installments from financial support packages.

The IMF only disburses money when it completes a review. If it does not approve of a country's policies, the IMF does not complete the review.

The IMF also provides assistance to the poorest countries through a poverty reduction and growth facility (PRGF) and debt relief through the heavily indebted poor countries (HIPC) initiative.

World Bank

Founded in 1944 at the same time as the IMF, the World Bank – the full name World Bank Group is avoided in copy -- is owned by more than 180 member countries whose views and interests are represented by a Board of Governors and a Washington-based Board of Directors. Member countries are shareholders who carry ultimate decision-making power in the World Bank.

The World Bank generally invests in long-term structural aid to a country, such as health, education, fighting poverty or building roads, while the IMF supports countries through financial and economic troubles.

The key bodies of the World Bank are:

- ② The International Bank for Reconstruction and Development (IBRD), which provides loans and development aid to middle-income countries;
- ② The International Finance Corporation (IFC), which promotes private sector investment in developing member countries;
- ② The International Development Association (IDA), which makes soft loans and grants to the poorest countries.

Organization of Petroleum Exporting Countries (OPEC)

OPEC, a group of 11 countries, was founded in 1960 to manage exports and thus influence prices.

The members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates and Venezuela.

Twice a year, or more frequently if required, the OPEC oil and energy ministers meet to decide on output and to consider any adjustments in the light of recent and anticipated oil market developments.

OPEC's 11 members supply about 40 per cent of the world's oil output, and possess more than three-quarters of the world's total proven crude oil reserves.

The secretariat is based in Vienna.

World Trade Organization (WTO)

The WTO was created in 1995. It has more than 140 members, accounting for more than 97 percent of world trade. About 30 others are negotiating membership.

Decisions are made by the entire membership. This is typically by consensus. A majority vote is also possible but it has never been used in the WTO, and was rare under the WTO predecessor, the General Agreement on Tariffs and Trade (GATT).

The overriding goal is to help trade flow smoothly, freely, fairly and predictably.

The WTO does this by:

- ☐ Administering trade agreements;
- ☐ Acting as a forum for trade negotiations;
- ☐ Settling trade disputes;
- ☐ Reviewing national trade policies;
- ☐ Assisting developing countries in trade policy issues;
- ☐ Cooperating with other international organizations.

Organization for Economic Cooperation and Development (OECD)

The Paris-based OECD groups 30 industrialized countries. It publishes statistics and research, fosters good economic governance, and produces agreed economic decisions and recommendations to protect the global economy.

The members are: Australia, Austria, Belgium, Britain, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, South Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Spain, Sweden, Switzerland, Turkey and the United States.

CONVERSIONS

If you know	Multiply by	To get
LENGTH		
Inches	2.54	centimetres
Feet	30	centimetres
yard	0.91	metres
miles	1.6	kilometres
AREA		
sq. inches	6.5	sq. centimetres
sq. feet	0.09	sq. metres
sq. yards	0.8	sq. metres
sq. miles	2.6	sq. kilometres
acres	0.4	hectares
MASS (Weight)		
Ounces	28	grams
pounds	0.45	kilograms
short tons	0.9	tonnes
VOLUME		
Teaspoons	5	millilitres
Tablespoons	15	millilitres
fluid ounces	30	millilitres
cups	0.24	litres
pints	0.47	litres
quarts	0.95	litres
gallons	3.8	litres
cubic feet	0.03	cubic metres
cubic yards	0.76	cubic metres

USEFUL LINKS

Some other useful glossaries of business news can be found here:

[Investopedia](http://www.investopedia.com/dictionary/) <http://www.investopedia.com/dictionary/>

[The Economist Economics A-Z](http://www.economist.com/research/Economics) <http://www.economist.com/research/Economics>

[FACSNET](http://www.facsnet.org/tools/ref_tutor/econo_term/glossary.html) http://www.facsnet.org/tools/ref_tutor/econo_term/glossary.html

[Federal Reserve Bank of San Francisco](http://www.frbsf.org/tools/glossary/glossReg.html)

<http://www.frbsf.org/tools/glossary/glossReg.html>

Use the CIA

The CIA fact book is a good source of economic statistics to compare countries and provide story ideas. Read it [here](https://cia.gov/cia/publications/factbook/). <https://cia.gov/cia/publications/factbook/>

BBC News Fact Files can help you understand and explain

Confused about derivatives, globalisation, money laundering or mergers? Take a look at the Fact Files on the business section of the BBC News website [here](http://news.bbc.co.uk/1/hi/business/business_basics/default.stm). (http://news.bbc.co.uk/1/hi/business/business_basics/default.stm)

The business section of the BBC site as a whole is a good way to keep in touch with current international financial events and questions generally. To check it out, click [here](http://news.bbc.co.uk/1/hi/business/). (<http://news.bbc.co.uk/1/hi/business/>)

The BBC also has a useful **Guide to 'development speak'** [here](http://www.bbc.co.uk/worldservice/specials/916_dev_speak/index.shtml). (http://www.bbc.co.uk/worldservice/specials/916_dev_speak/index.shtml)

The Guardian

The [Guardian newspaper website](http://business.guardian.co.uk/) (<http://business.guardian.co.uk/>) has links to many business stories, not all of which are purely about Britain, a glossary and various special reports on business-related subjects.

These sites for international economic organizations will give you plenty of background to read as you do your homework on global economic matters:

[World Trade Organization](http://www.wto.org/) (<http://www.wto.org/>)

[International Monetary Fund](http://www.imf.org/) (check out the online version of their quarterly magazine Finance & Development) (<http://www.imf.org/>)

[World Bank](http://www.worldbank.org/) (<http://www.worldbank.org/>)

[International Energy Agency](http://www.iea.org/) (<http://www.iea.org/>)

The world economy from different perspectives

For differing perspectives on the world's economic problems and potential solutions, visit the site of the **World Economic Forum** [here](http://www.weforum.org/en/index.htm) (<http://www.weforum.org/en/index.htm>) and check out this year's meeting of the **World Social Forum** of anti-globalisation movements [here](http://news.bbc.co.uk/2/hi/business/6295855.stm). (<http://news.bbc.co.uk/2/hi/business/6295855.stm>)

Other useful websites for alternative views on how the world economy should be run include:

[New Economics Foundation](http://www.neweconomics.org/gen/) (<http://www.neweconomics.org/gen/>)

[World Development Movement](http://www.wdm.org.uk/) (<http://www.wdm.org.uk/>)

[Panos](http://www.panos.org.uk/) (<http://www.panos.org.uk/>)

NGO-related sites

A useful site on nonprofit and community organizations in 165 countries is [Idealist](http://www.idealists.org/). (<http://www.idealists.org/>)

The World Bank site has a special section on its relations with NGOs and Civil Society [here](http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,pagePK:220469~theSitePK:228717,00).(http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,pagePK:220469~theSitePK:228717,00)

JournalismNet

The JournalismNet site provides links to a wealth of useful online information for journalists.

Click [here](http://www.journalismnet.com/) (http://www.journalismnet.com/) to explore it. To go straight to JournalismNet's section on business news, click [here](http://www.journalismnet.com/business) (http://www.journalismnet.com/business).

Its links to various business news media sites are [here](http://www.journalismnet.com/business/press.htm) (http://www.journalismnet.com/business/press.htm). Sign up for its free weekly web tips [here](http://www.journalismnet.com/freetips/index.htm). (http://www.journalismnet.com/freetips/index.htm)

Wikipedia

[Wikipedia](http://en.wikipedia.org/wiki/Main_Page) (http://en.wikipedia.org/wiki/Main_Page) is very useful but remember that it is built on the voluntary contributions of people all over the world rather than being a thoroughly checked and researched publication.

But then you should rarely rely 100% on any single source of information.

Google

Most of you will know the search engine [Google](http://www.google.com/) (http://www.google.com/) for finding useful material on the Web. For Google's news search facility, click [here](http://news.google.com/) (http://news.google.com/). Then follow the link to business news on the left of that page.

More training materials

The International Center for Journalists in the U.S. has some useful training materials [here](http://www.ijnet.org/FE_Article/trainingmaterial.asp?UILang=1).(http://www.ijnet.org/FE_Article/trainingmaterial.asp?UILang=1)

Converting numbers

[OnlineConversion.com](http://www.onlineconversion.com/) converts just about any type of number into anything else.

(<http://www.onlineconversion.com/>)

So it's very useful if you want to see what some figure might mean when converted into a unit that you can understand.

Percentage changes

How to work out a percentage change

Step One: Take the new figure X and subtract the past figure Y.

Step Two: Divide the resulting difference (X minus Y) by the past figure (Y).

Step Three: Multiply by 100

For example:

Ford Motor Co. says its net profit for this year is 126 million dollars, down from 167 million dollars last year.

Step One: Take the new figure of 126 million dollars and subtract the past figure of 167 million dollars, giving a result of minus 41million dollars.

Step Two: Divide the result (minus 41 million dollars) by the past figure of 167 million dollars, giving a result of minus 0.245509.

Step Three: Multiply by 100, giving a percentage difference of minus 24.55 percent.