



## Economic literacy through journalism



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### How to “decode and translate” technical language

The first thing you should do is ask yourself whether it is necessary to use a technical term at all. Often it is fine to say “the economy grew by x%” instead of “gross domestic product”; and “control government spending” rather than “stabilise the fiscal deficit”; “shopping” instead of “consumer demand”; “borrowing” instead of “leverage”; “making money” instead of “profitability”; “rich person” instead of “high net worth individual”. There are many such examples.



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- Don't explain what a technical term is by using other technical terms (*a derivative is a financial instrument whose value is derived from the value of an underlying asset*).
- Don't stop the story and insert a definition, except if you're sure that's the best way to do it. Normally, try to make the definition part of the unfolding information (*The trade deficit rose to its highest level in five years. The stronger exchange rate was partly to blame for the fact that exports fell again, which meant that imports exceeded exports by the highest margin since 2004*).



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- Similarly, hide” definitions by using them as synonyms close to the word you want to define (*...inflation rate of 3 per cent. This rise in the prices of goods and services was the highest since...*).
- When you have to use a very technical term high up in a story, signal that you know it is unfamiliar (*complex investments known in the trade as collateralised debt obligations*), because the reader will be encouraged to believe you will define it for them in due course (and do so). You can also signal that you are “with” your reader by distancing yourself from the jargon (*what economists call “moral hazard”*).



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- Sometimes it is better to say what something does than what it is (*capital adequacy is a policy through which the financial system is made more stable by ensuring banks have enough “reserves” to pay out their depositors if it ever became necessary*).
- Likewise, sometimes explaining a process is more effective than trying to explain individual terms (*in the credit markets banks lend to each other in the very short term, often just overnight -- thus avoiding “short-term money market instruments”, “the interbank market”, etc.*)



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- Saying what something is *not* can sometimes help in explaining what it *is* (*quantitative easing increases the amount of money in the economy, but it is not the same as printing money*).
- Where you have an unfamiliar technical term or process, strip out other complexities as much as you can. That means getting rid of numbers, proper nouns, attribution and the like.
- Give an example, preferably a real one.
- Use a person or a “nano-narrative” through which to explain a process.



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- Sometimes a quote clinches understanding for the reader (*“The credit rating agencies are like our regulators – they have the power of life and death over us.”*)
- Try to think of an image or a literary or movie comparison that will help the reader picture the process or the concept (*Central banks are like that Ronan Keating song from the movie Notting Hill: “You say it best when you say nothing at all”*).
- Make sure the common words that surround the technical ones, or that are used in the definition, aren’t ambiguous or puzzling.



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- Use low-level terms for the definition, avoiding abstract nouns and “ion” words (*regulation, categorization, malfeasance*), compound nouns (*fixed-interest-rate instrument*), suspended compounds (*full- and part-time workers*) and compound modifiers (*once-obscure financial instruments*), noun phrases (*the financial practices that have been under regulatory scrutiny*), gerunds, participles and other “ing” words (*beginning the regulator’s investigating*) and passive sentence structures (*... was suspended by the bank*).



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- Do not bunch all the elements of the explanation of a complex thing – allow them to emerge over several paragraphs.
- Don't drop in subsidiary information in the middle of the explanation (*The stimulus package, which is similar to others adopted around the world, including by China and the United States, is designed to create jobs through government projects, tax rebates and one-off spending incentives for consumers.*)



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- If you are writing a longer piece and the page can be designed to take it, write a “mini-lecture” in a box or as part of a graphic. On-line publications now do interactive graphics.
- Best of all, tell it as a story in its own right, possibly even a narrative about how the thing came about and run this as a “box” or “sidebar” alongside the main piece.