COLLOQUIUM
Modelling Economic News for Scientific Inquiry

Wits Business School
and
School of Economics with College of Business and Economics @ UJ
7th September 2023
09:00-16:30

A call for papers and participation
Economic news matters. Its value has lately been headlined by the intersection of several seemingly disparate factors: increased academic interest in the interplay between economic news and macroeconomic activity, quantum leaps in the growth of text-based media content, and growth in technical capabilities to analyse large textual databases. The result is a cascade of new research in media studies, communications, sociolinguistics, economics, and political science. The common thread across the growing body of research is news content on contemporaneous economic (and socioeconomic) events and issues. The news events, themes and sources are diverse: policy announcements, budget pronouncements, the release of new studies, public engagements on economic issues, and even protection over policy. Some events in this news genre are intuitive and predictable even though the content announced at times triggers significant responses amongst players in the financial markets, economic institutions, and the general public. This phenomenon, highlighted in Kariithi (2003, 2007) and Green (2012), points to a unique character of economic news: it is an input to decision-making.

Economics-focused research was among the first to attempt to explain (and predict) market/consumer behaviour arising from economic knowledge (see, for example, Blinger & Krueger (2004), Roos (2007), Lamla & Lein (2008), Haferkemp et al 2009, van der Cruijsen et al (2010). Politics-themed research has long explored the role of public knowledge and information in political decision-making, for example, Blood & Phillips (1995), Boeri & Tabellini (2005), and Diekmann et al (2009). Extensive literature documents the relationship between Internet news and stock market performance and the market reaction to the information contained in mass media, for example, Zhang et al. (2016), Barber & Odean (2008), Paiardini (2014), Keleş et al. (2023), Filippou et al. (2023) and Loibl & Hira (2009). Other studies point to the import of media coverage of specific economic issues (e.g., recessions) on general consumer and market behaviour, for example, Eggers et al. (2021) and Damstra et al. (2020). Recent scholarly work continues to explore asymmetric evaluations of governance in economic news. A major aspect of the effects of economic and political uncertainty, inflation, recession, policy failure, and blame attributions in economic news on government evaluations. Extant research into the impact of monetary policy announcements by central banks has been linked to movements in bonds and equities markets, for example, Bernanke & Kuttner (2005) and Chulia et al. (2010). Recently, Eggers et al. (2021) investigated the impact of news about economic recessions on consumer behaviour.

A nascent body of work has emerged across Africa, exploring the link between economics news and broad phenomena in national economies. For example, Segawa (2019, 2021) has tracked the

implications of central bank pronouncements on public perceptions of the severity of the economic tenor of the times. Segawa (2019) explores the discursive construction of "interest rates" arising from monetary policy announcements in the context of South Africa's "exposure to global headwinds and external shocks expert analyses". Segawa (2021a) joins a growing list of works interrogating central bank pronouncements to discern ease/clarity of monetary policy communications, and the import of apex banks' pronouncements in predicting economic outcomes. Segawa (2021b) goes on to examine causality of South African Reserve Bank(SARB) MPC statements' tone and sentiment on succeeding BER's inflation expectations results therein justifying the need for effective communication as his finding reveal that SARB's MPC communications' polarity and subjectivity ultimately have a causal effect on inflation expectations.

Coco & Viegi (2020) utilise monetary policy announcements by the SARB to understand the evolution of its policy stance, communication, and credibility. Ultimately, Coco & Viegi (2020:1) argue that longitudinal analysis of central bank announcements improves our understanding of "the interaction between policy, communication and credibility by showing a consistent picture across all different aspects of monetary policy making".

Scholars have utilised different methodologies in evaluating economic news. From regression analysis (Damstra et al, 2020), times series sentiment estimation (Coco & Viegi, 2020), and quantitative readability and syntactic analysis (Luangaram et al, 2017 and Segawa 2020), quantitative techniques have been prominent. A wealth of quantitative studies has documented links between economic news and the performance of African stock markets (Cakan & Gupta, 2017; Gkillas et al, 2018; Gkillas et al, 2019; and Salisu & Gupta, 2022). Other studies of economic news have utilised qualitative perspectives, for example, critical discourse analysis (for example Kariithi & Kareithi, 2007). Recent work in corpus linguistics offers the promise of further analysis of media texts using quantitative linguistic tools (for example Kariithi 2020).

The construction of economic policy indexes by Baker et al., (2016) using 'news chatter' has generated a lot of interest in the effects of uncertainty on the economy. The policy uncertainty indexes by Bloom et al., (2016) have generated a huge volume of research and have led to the creation of trade uncertainty-related, environment-uncertainty indexes, etc. However, there has been limited research on the effect of economic news in Africa due to the unavailability of uncertainty indexes for African countries. However, Hlatshwayo & Saxegaard (2016) used search algorithms to create uncertainty indexes based on the count of newspaper articles related to uncertainty in South Africa. Furthermore, Redl (2018) constructed an uncertainty index that takes into account the disagreement among professional forecasters, and the count of international and local newspaper articles on uncertainty. More recently, Binge & Boshoff (2020) construct survey-based proxies for business uncertainty to assess the impact of uncertainty on economic variables.

The foregoing analysis provides a *raison d'etre* for a forum to systematically interrogate and discuss new perspectives of understanding the impact of African economic and business news on consumer markets, investors, and global financial markets. While the research points to variegated approaches and disparate findings, there is a need to place these initiatives within specific development contexts of African economies and against the backdrop of inadequately researched media institutional structures. The implications of these caveats cannot be overemphasised. While global research points to significant media power in defining and discussing economic issues (for example Tambini 2010, Strauß 2019), there are imminent dangers in presuming linearity in the global media structures and in failing to factor in significant concerns noted by researchers on the role of the financial press in the determination of business and economic conflicts and events (for example Doyle 2006, Schiffrin 2015, Knowles et al., 2017). Damstra et al., (2018:1) place a great burden on any scholars of economic news: "it is imperative to study economic news—both its content and its effects—because it has such a strong bearing on the daily lives of citizens".

The colloquium on "Modelling Economic and Business News for Scientific Inquiry" brings together scholars and researchers from broad backgrounds to discuss perspectives of researching empirical questions using economic news data. The meeting will also address theoretical and epistemological foundations of both macroeconomics and journalism/media studies, providing a unique platform for researchers and scholars from the two fields to comprehensively deal with the critical quintessential question: what value for news content? We will also pay close attention to deepening theoretical and conceptual approaches to enrich and highlight South-South perspectives with a view to broadening the current debate on 'decolonising' social science research. In so doing, we will focus on operationalising concepts and research methods to our own South nuances and sensitivities.

The colloquium welcomes researchers and groups of researchers with a wide range of methodologies, including empirical approaches, theoretical interventions, qualitative approaches, and meta-reviews that contribute to a systematic understanding of economic news content, applied media content analytics, empirical economics research methodologies, and the broad use of media content as primary data in the study of economic and socioeconomic issues. Possible topics include, but are not limited to, the following:

- Ways that inform our understanding and study of media content as "big data".
- Preparation, design, and 'curation' of media content databases, including technological dimensions to media "big data".
- Data visualisation and AI- and ML-enabled analytics tools and metrics.
- Understanding time-series analysis of cause and effect of monetary policy utilising media content data.
- Empirical economic modelling using media content data.
- Empirical and qualitative studies utilising media content data.
- Cross-national research initiatives utilising media content data.
- Rethinking journalism and media studies in the era of "big media data".
- Theorising economic as markers of everyday economic events.
- Media bias and other concerns for statistical analysis of media data content.
- "Come just as you are:" Bringing journalism studies to economic inquiry.
- "Big media data" and empirical research: How useful are media audiences?
- The micro- and macro-impact of policy uncertainty on the economy
- The use of "big data" to gauge the sentiment of consumers, citizens, etc

Expression of interest and paper submission

Individual researchers and groups of researchers are requested to submit expressions of interest to attend and/or expression of interest to present a paper by 4th August 2023. The submissions are welcome via email to Dr Arnold Segawa, Wits Business School, at arnold.segawa@wits.ac.za.

Please note that a substantive textbook or special issue of a major journal are being considered as the primary output for papers presented at the colloquium. Researchers and authors interested in submitting their work are encouraged to send questions to Dr Arnold Segawa (arnold.segawa@wits.ac.za), Dr Magdalene Kasyoka Wilson (mwilson@uj.ac.za) or Prof Nixon Kariithi (nixon@tangaza.net).

The date for the colloquium is currently scheduled for 7th September 2023. The colloquium will be held at the Wits Business School, 2 St Davids Place and St Andrew Road, Parktown, Johannesburg, 2193.

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