

Business and Economics

Some important basic terms:

▪ **Markets**

- Everything from local merchants to global financial markets
- Involve products, sellers, buyers, investors, traders, etc.

▪ **Supply and Demand**

- Quantity available of a product vs. consumer demand for it
- Low availability and high demand make prices rise?

▪ **Private vs. Public Goods**

- Private goods: Products you can own, keep to yourself
- Public goods: Electricity, law enforcement, the ocean – we all use

▪ **Domestic vs. Foreign**

- Gross National Product vs. Gross Domestic Product
- Agreements and comparative advantage can blur these lines

▪ **Health of Economy vs. Income Distribution**

- Country can sell lots of goods, but how equally does everyone share in it?
- Distribution between economic classes can vary dramatically

Business and Economics

Digging deeper on some concepts:

■ Taxes

- Many types: income, payroll, sales, property, estate, corporate, tariffs
- Pay for public goods and services: national defense, transportation, health care, entitlements, vets' benefits, education, etc.
- Always subject of controversy – how are officials spending public money?

■ Budget Deficits and Debt

- Deficit: Money going out exceeds the money coming in
- Government borrows money by selling bonds, bills, etc. to investors
- Debt: Accumulation of this year after year
- National vs. state vs. city/county budgets

■ Inflation

- Rise in consumer prices for assorted products
- Causes: Production/distribution costs, demand, events, policies, profit-taking
- All consumers hurt by it – low-income the most

■ Income vs. Purchasing Power

- Wages have gradually risen over time – but so have costs
- Prices have generally increased, but not across the board
- Cost of living & standard of living have changed dramatically

Business and Economics

For business-related news stories:

Main Question 1:

Is the information being reported clear and understandable for general audiences?

Main Question 2:

How reliable is the outlet reporting this?

Main Question 3:

Is this information being reported to inform the public, or to advance an economic or political agenda?

Government and Politics

Some useful background information:

▪ **Government vs. Politics**

- Government: People and institutions that run a community/state/nation
- Politics: Process by which governmental decisions are made
- Can involve officials, candidates, foreign leaders, media figures, citizens

▪ **Officials' relationship with media is complicated**

- Elected officials need media coverage, but it can also hurt them
- Tug-of-war over control of the message
- Seeking fair treatment vs. creating a convenient enemy

▪ **Campaigning vs. governing**

- One requires the other – different skills needed?
- Use media differently as elected official than as a candidate?
- Media and officials often at cross purposes

▪ **Media environment has changed dramatically**

- Society and technology changing faster than ever before
- Ocean of information and misinformation, and more outlets than ever
- Hard for officials and media companies to keep up

Government and Politics

Other important things to consider:

▪ **Branches of government**

- Handle different parts of the process
- Lack of basic public knowledge
- Can be exploited by candidates for office

▪ **Jurisdictions**

- The president isn't in charge of everything everywhere
- Fairly consistent by state, but can vary greatly at lower levels
- Most important people aren't always obvious by job title

▪ **Governing effectiveness vs. public image**

- Statecraft vs. stagecraft – not the same thing
- Image making by officials is nothing new
- Popularity can be a powerful political tool
- Effective leadership can involve both elements

Government and Politics

Changes in relationship between media & officials:

▪ Investigative reporting

- Watergate scandal shed light on abuses, elevated media role
- Seriously eroded public trust in officials
- Made many media outlets more deeply critical

▪ Media bashing

- News media had long been considered generally neutral
- Nixon/Ailes: Used traditional divisions against “media establishment”
- Inherently divisive strategy – polarization continues

▪ Changes in media hierarchy

- Shifts in audience preferences drove shifts in level of influence
- Digital age led to unprecedented splintering of audiences
- Old measures of media power no longer relevant

Government and Politics

For government-related news stories:

Main Question 1:

Does the information being reported seem to address multiple sides and parties' concerns?

Main Question 2:

How reliable is the outlet reporting this?

Main Question 3:

Is this information being reported to inform the public, or to advance an economic or political agenda?

Government & Business & Media

- **Public vs. private sector – different coverage**
 - Government dealings are public record – critical coverage
 - Business dealings are private – often info is leaked to media
- **Government and business often work together**
 - Media’s job to report on these alliances
 - Media sometimes part of them
- **Two will work together against the third**
 - Media will report on “big business” and “big government”
 - Officials and business leaders bash media companies, individuals
- **They all need each other**
 - Media members see selves as independent, but part of system
 - Media companies are both businesses and “fourth estate”