



How Journalists Shape Society

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## **J-Ethinomics:**

### **Practical incentives for producing quality journalism**

#### **1. About J-Ethinomics**

J-Ethinomics is the founding principle of journalism training at the Center for International Media Ethics (CIME). The term unites the concepts of Ethics and Economics in the field of Journalism. It describes practices in journalism that have an aim towards building trust, credibility, and accountability - values that are the foundation of media ethics, and the impact of these values on media economics and socio-economic development. It is based on the idea that the incorporation of ethical practices within media organizations can serve as a practical strategy for media business to generate revenue.

J-Ethinomics can also apply to the general impact of journalism on economic systems. Referring to the work of Paul Romer's New Growth Theory - generally that the continuous development of new ideas is essential for sustaining economic growth, CIME emphasizes how journalists have a role in bringing valuable ideas to the public sphere. For example, local farmers and hence, rural economies, can be empowered if the local press reports on new irrigation methods that can be helpful for their crops. At the same time, this power has the ability to escalate or tamper crises in economics: the BBC's reporting on the Northern Rock bank's financial troubles in 2007 led to an immediate response by customers, who reacted to the news by withdrawing their cash from the bank's branches the day following the broadcast.

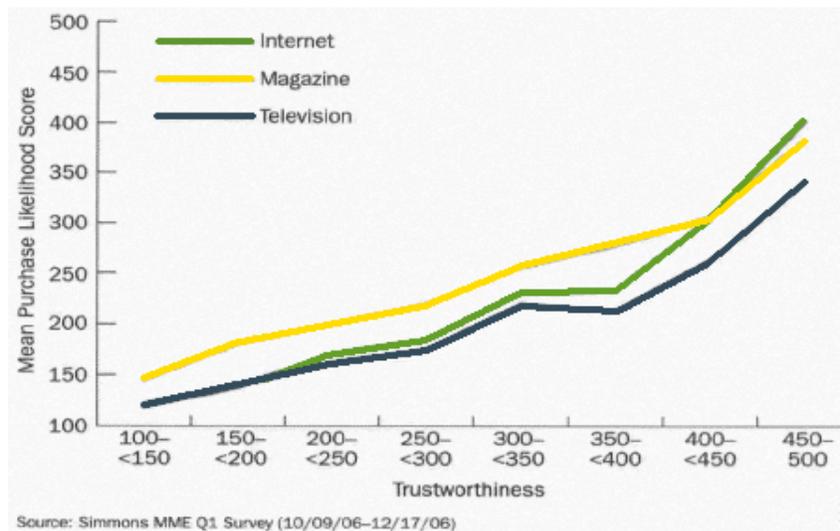
The term also has its roots in already established terminology that brings together the values of both fields. Both "ethnomics" and "ethinomics" are variations on basically the same concept: that ethics and economics as concepts should be evaluated in terms of their relationship to one another. Their combination dispels the widely held notion that they are mutually exclusive and that the practice of one is not supported by other.

## 2. The J-Ethinomics Business Model

J-Ethinomics suggests a business-model approach to practicing ethical journalism, by building economic incentives for the media to build trust. In the effort to bridge the seemingly opposing aims in the media of upholding ethics and supporting economic success, J-Ethinomics considers that the two goals can actually mutually support one another. This is the idea that underlies CIME's mission: that the practice of responsible journalism, that which generates trust, can support a news organization's ability to thrive economically.

Previous research on the relationship between journalism and business has mostly focused on the challenges - specifically, how the need to produce continual revenue can compromise the independent spirit of journalism. However, there is a substantial body of research which demonstrates that the practice of good journalism, one built upon the values of trust and credibility, can actually prove to be beneficial to the economic viability of the news organization.

A number of studies relating to media consumption and marketing have found that there is a positive correlation between trust and the development of long-lasting consumer relationships with news sources (see Fletcher & Peters, 1997; Meyer, 2004; Kilger & Romer, 2007; and Vanacker & Belmas, 2009). Fletcher & Peters (1997), in particular find that there is a "significant positive correlation", a factor of 0.84, between the Ability dimension of trust and a willingness to develop a long-term relationship orientation and demonstrate loyalty and Consumer Commitment with that firm" (p. 534). Meanwhile, the work of Kilger & Romer (2007) demonstrates direct evidence to show that a higher amount of trust among consumers will lead to a greater likelihood to purchase, as demonstrate:



For practice within journalism, the next consideration is how news organizations can build trust among their audiences. While trust can involve a multitude of factors, it is clear that news organizations and journalists can promote trust by demonstrating their legitimacy and independence, and adhering to ethical practices in reporting, including accuracy, objectivity and avoidance of conflicts of interests, among other values. These are exactly the topics that CIME aims to train journalists in through its courses. CIME understands that with the establishment of trust, news organizations will be better positioned to carve out a stronger role within the marketplace.

### 3. Journalism and the Growth of Civilization

The role of responsible reporting in creating demand has a lot to do with how the news feeds into economic growth processes, relating to Paul Romer's work on New (or endogenous) Growth Theory. This theory articulates how knowledge input (e.g. creativity through innovation and ideas) is a key factor in sustaining growth. In other words, new ideas that are constantly created, for example via Research & Development as well as via other less formal initiatives, are what allow a society to improve its socioeconomic and technological levels.

One could point out that journalism participates actively in this growth model by circulating these ideas, communicating knowledge all the time and providing the medium for many information flows. If journalists choose to report on topics that reinforce this role of the media in economic (or social) development, then demand increases thanks to the value of the content – as one observes with any form of business or finance journalism. One could even look at how journalism feeds into information flows in Romer's new concept of Charter Cities, or other similar concepts that have been proposed.

The media certainly has a role to play in the way that knowledge flows are affecting growth. Given the impact of reporting on socio-economic development and growth, a journalist may recognize his/her ethical responsibility in spurring (or slowing) activities in his/her country or region. Whether farmers find out about a new irrigation technique in their local newspaper, or whether information about a new green technology is spread on a science news website at a given time, may have a social and economic impact at many levels. In the case of farmers, a small rural community's livelihood in a dry landscape might depend on knowledge of this specific irrigation method. In the case of a science website, their timeliness may impact investment trends on the market that make or break the viability of a breakthrough energy technology.

"Growth" has a certain meaning in economics. But Growth can also designate the social processes that build our societies: social progress, shaping community values, educational development, peace-building and conflict-solving - e.g. anything that involves having and using ideas to make things nicer. Journalism contributes to all these kinds of growth, and many more. In other words, journalism helps the process of growing as a Civilization, building a Civilization, becoming civilized. As a journalist, you can think about what this means to you, and make sure your reporting contributes to this process.

**The term “J-Ethinomics” was coined in 2010 by Melisande Middleton, a founder of the Center for International Media Ethics (CIME). If you would like to teach J-Ethinomics, research and write about J-Ethinomics, or in general participate in expanding this concept in any way, please do! Just remember to credit CIME: [www.cimethics.org](http://www.cimethics.org).**

**For more information:**

[www.cimethics.org](http://www.cimethics.org)

[www.ethicsformedia.org](http://www.ethicsformedia.org)

[www.j-ethinomics.org](http://www.j-ethinomics.org)

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