Abstract

The way that financial journalists in South Africa do their jobs has not been well researched and consequently is not well understood. The intention of this report is to develop preliminary insights into the conditions that shape financial news in South Africa, and thus to contribute to the existing research on financial journalism in the country. The study explores the role played by financial journalists in South Africa in reporting on the asset management industry, which is crucial to the economy through its control of vast sums of money representing the savings of citizens, investments in business and funding of government. In view of this and the potentially increasing risk in the asset management industry, the way in which the media covers the sector is important. Focusing attention on how the media report on the asset management industry provides insights that may extend to the financial media in general. The report draws on the liberal-pluralism argument that media functions as a watchdog in society to ensure that no single body should hold too much power. The constraints to the media's ability to play a watchdog role as argued by political economists were considered. In addition, the study applies relevant aspects of the organisational approaches to media production, in order to understand some of the factors that influence the ability of financial journalists in South Africa to play a watchdog role. In particular, the study considers the relationship between journalists and sources within the asset management industry to determine who is setting the agenda in news coverage of the investment sector. This may indicate whether or not financial media are fulfilling the watchdog role. The research method involved in-depth qualitative interviews with financial journalists to explore the environment in which financial news is produced. A content analysis, quantitative and qualitative, of *Business Day*, *Financial Mail*, *Finweek* and *Sunday Times Business Times*, was employed to further explore the subject. As this is a complex topic, this study introduces the key issues and highlights some areas where future research could assist in improving our understanding. A key finding of the study is that financial journalists in South Africa are not acting as effective watchdogs over the asset management industry. This may be due to a combination of a lack of resources and not having the mindset of a watchdog built into the financial media's approach to daily news production. In addition, the balance of power in setting the agenda on media coverage of the asset management industry lies predominantly with the corporations.