

# NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMUNICATION AND INFORMATION SCIENCE  
DEPARTMENT OF JOURNALISM AND MEDIA STUDIES  
ADVANCED JOURNALISM (IJM 4204)  
MAY 2005 EXAMINATION  
TIME ALLOWED: 3 HOURS

## **INSTRUCTIONS TO CANDIDATES**

1. Section A is **compulsory**
2. Answer **any four** questions from section B.
3. Start each question on a new page.
4. Poor spelling and grammar will be penalised.

## **SECTION A: COMPULSORY**

### **Question 1**

- a) You have been appointed the Business Editor of the local newspaper and in your first day in office you receive a call from the Editor in Chief.
- i) First she wants you to tell her what the national income in Zimbabwe was in 2004. She gives you the following data,  
In 2004 - GDP was \$5,546.1 billion, net factor income from abroad was \$21.7 billion, capital depreciated by \$607.7 billion and indirect business taxes stood at \$444 billion.
- ii) Secondly, she tells you that the Minister of Finance in his national budget presentation said that in 2005 national income will grow by 5% more than in 2004 and therefore standards of living are expected to improve.

The Editor in Chief wants to know how she can portray this expected increase in the best possible light in her editorial comment.

How would you respond to the Editor in Chief? **[10 marks]**

- b) Using information provided in insert A, write a story of not less than 500 words on the performance of the British American Tobacco Zimbabwe Holdings. **[10 marks]**

**TOTAL: [20 marks]**

## **SECTION B: ANSWER ANY FOUR QUESTIONS**

### **Question 2**

Zimbabwe's level of inflation is said to be going down whilst at the same time prices on some commodities are going up?

As a business reporter write a column for the newspaper explaining clearly what inflation is all about, how it is calculated, and what are the remedies that could be used to combat inflation.

**[20 marks]**

### **Question 3**

- a) What do you understand by the term “Money Supply”. How is it measured in Zimbabwe?  
[ 5 marks]
- b) Assume there’s only one bank in the country and that the reserve requirement is 10% and the bank receives an initial deposit of \$100 000. What is the total quantity of money supply that will be created by this bank?  
[ 5marks]
- c) What are the instruments that are used by the Central Bank to implement monetary policy?  
[ 5 marks]
- d) What are the limitations of using monetary policy to achieve desired economic objectives like reducing inflation, increasing employment and income etc?  
[ 5 marks]
- TOTAL: [20 marks]**

### **Question 4**

Participation by Zimbabweans on the stock market and money market is limited to very few individuals and yet these markets play a pivotal role in economic development.

As a Business Editor of a widely circulating newspaper, write an article explaining clearly and in simple terms the role performed by these markets in the economy, the types of securities traded, and the factors that affect the determination of prices of securities in these markets.  
[20 marks]

### **Question 5**

On the 20<sup>th</sup> of September 2004, the Editor of a local newspaper received a letter from one of the readers, which read as follow:

*Dear Editor*

*I write to express concern at the way the Reserve Bank of Zimbabwe is handling the current economic issues in the country. First, it seems the Central Bank has taken over the functions of the Ministry of Finance as it is now running the show in all sections of the economy. I used to think the Reserve Bank of Zimbabwe only deals with issues related to what is happening in the financial sector. Secondly, the Central Bank in its monetary statements has passed recommendations that contradict some decisions taken by some ministries.*

*Can someone explain this land of confusion that is being created by our Central Bank?*

*Concerned, Bulawayo.*

What are the misunderstandings that the writer/ has about the functions of the Central Bank?  
[20 marks]

### **Question 6**

State and explain the various forms of unemployment that exists in any country. How relevant are these to a country like Zimbabwe?  
[20 marks]