



**The Hazards of Petroleum Wealth:
A Workshop for Reporters to be held in Lagos on May 7 and 8**

**Hosted by the Initiative for Policy Dialogue and the UNDP
Funded by the Ford Foundation and the Macarthur Foundation**

Managing oil wealth is a challenge for developing and transition countries that are lucky enough to have these resources. Nations need to decide how they can deal with influxes of large revenues without producing distortions of income inequality, corruption, misallocation of resources and macroeconomic imbalances such as high inflation and low growth.

Journalists who attend the three day workshop will learn about challenges of resource wealth, the experiences of other countries and receive guidance on how to cover some of the technical and macro/micro economic issues involved.

This two-day workshop is open to Nigerian journalists who cover business, economics and/or the oil sector. Interested applicants will need to submit samples of their work, their cvs and a brief statement as to why they want to attend and what they hope to learn from the workshop. *Journalists selected will need to attend all the sessions and be prepared to write two stories based on the sessions they attend. These will be critiqued by some of the lecturers at the workshop.*

The Workshop Agenda

Day One—Friday May 7

Overview: We will lay out the social and economic dilemmas raised by influxes of resource wealth in order to provide a foundation for discussion of the specific problems facing Nigeria

10:00-10:30 greetings and introductory remarks by **Anya Schiffrin**, Director of Journalism Programs, Initiative for Policy Dialogue.

10:45-11:30 introductions and going around the room exercise with participating reporters.

11:30-1:00pm Introduction to oil markets by **Karen Matusic**, editor of Energy Intelligence and veteran energy reporter Chris Cragg. The two will look at how oil markets work and the role of Opec. She will also talk about the effect that futures markets, geopolitics and weather have in determining oil prices.

1:00-2:00 lunch break

2:00-4:00 Skills workshop to be led by Jenik Radon

Radon will look at the economic knowledge reporters will need to cover the economic and financial aspects of new oil wealth. Discussions would include (a) how oil prices are determined, to help reporters assess whether the country is getting a fair price for the oil; (b) standard contractual arrangements between oil companies and governments, and the problems that have been encountered; (c) how oil production is monitored, so that reporters can obtain independent ways of estimating what revenues ought to be; (d) fluctuations in oil prices and how they affect individual countries; (e) the role of OPEC, and how it can impact on the countries in the Caspian region; (f) monitoring the balance sheets and other financial statements of oil companies and national resource funds; (g) estimating the macro-economic effects of increased expenditures out of a national resource fund, depending on the economic circumstances of the country

Day Two—Saturday May 8

10-11:30 Hans Binswanger to speak on how oil wealth can be used to help the rural sector. Binswanger will lay out how, within an intergovernmental fiscal transfer system, oil resources can be channeled to communities, local government areas, civil society groups, and states to assist them with the implementation of their own agricultural and rural development priorities. He will cover the division of labor between the different actors involved, and how to scale up such community-driven and local development programs to national levels.

12-2:30 pm presentation on the Problems of Oil Rich Countries by **Professor Joseph Stiglitz**. Stiglitz will lay out the challenges that have confronted other countries which are most germane to the Nigeria. These include macroeconomic effects such as Dutch Disease, widening disparities between rich and poor, increased corruption and the weak development of state and private industry.

3-4 pm Tracking Nigeria's Oil money' – Michael Peel of the Financial Times will be discussing how journalists can use the information that is publicly available and what sort of questions they should be asking to provoke more disclosures...

4pm-5pm

Karen Matusic will discuss Action Plan and Strategies for Future Coverage. They will lay out which stories will need covering and likely problems journalists could face and work out an action plan for future coverage and strategies for future reporting bearing in mind problems such as: corruption, lack of information, unwillingness to publish, self censorship, pressure on reporters.

5pm filling out of evaluation forms

Speakers:

Hans Binswanger is an expert in rural development and the director of the rural department in the Africa region of the World Bank.

Chris Cragg is a journalist with 20 years experience of reporting energy issues. He was formerly editor in chief at BP, editor of FT Energy World, FT Energy Economist and FT International Gas Report. He is an Associate Fellow of the Oxford Institute of Energy Studies and is a frequent broadcaster. He has traveled all over the world from Algeria to Indonesia reporting on oil gas, electricity and environmental issues

Karen Matusic is an editor at Energy Intelligence where she specializes in Opec, oil markets and US foreign policy. Prior to joining EI, she worked for Reuters news agency in Venezuela, London and Dubai where she was served as global editor for Reuters' energy service; senior UK political correspondent; Bureau Chief, Middle East Gulf and chief correspondent, UK equities. She has also worked at AP Dow Jones news service in London and for the Daily Journal newspaper in Caracas, Venezuela.

Michael Peel covers West Africa for the Financial Times and writes extensively on Nigeria's oil sector. His previous posting was in London.

Jenik Radon—adjunct assistant professor at Columbia University's School of International and Public Affairs. Radon has worked on a number of pipeline deals in the region. Radon was a lecturer at Stanford University's Schools of Law and School of Business and in 2000 received the Order of Honor from the Georgian government.

Anya Schiffrin, is the Director of Journalism Programs at the Initiative for Policy Dialogue which has a website for reporters www.journalismtraining.net and organized workshops around the world. Schiffrin spent 10 years working as a business journalist including three years in Amsterdam and two years in Hanoi as bureau chief for Dow Jones Newswires. She has freelanced in Spain, Turkey, Pakistan and the UK. Schiffrin is co-director of the media concentration at Columbia University's School of International and Public Affairs. Her forthcoming book, *Covering Globalization: A Reporter's Handbook*, will be published by Columbia University Press in 2004.

Joseph E. Stiglitz—is now Professor of Economics and Finance at Columbia University in New York. In 2001, he was awarded the Nobel Prize in economics. He was a member of the Council of Economic Advisors from 1993-95, during the Clinton administration, and served as CEA chairman from 1995-97. He then became Chief Economist and Senior Vice-President of the World Bank from 1997-2000.