The role and impact of radio in reforming the rural business environment in Africa
A study of private FM radio in Uganda


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on behalf of the FAUNO consortium
October 2007
Executive Summary

This conference paper presents new research findings on the impact of commercial radio in Uganda on the livelihoods of the rural poor through its role as an active driver of change in business environment reform processes (limited to policy, legal, regulatory and administrative reforms). The research was commissioned by the employment and income division of SDC and delivered by The Springfield Centre under its FAUNO mandate. This paper is abridged from the full research paper which is pending publication by SDC.

A causal impact model is presented tracing attribution from the radio programme through, ultimately, to income related impacts. As shown in Table 1 below the findings are impressive both in terms of scale of impact, and as regards scope of impact with cases spanning issues as diverse as health, gender, and environment all impacting on income growth.

Table 1: Summary case impacts

<table>
<thead>
<tr>
<th>Radio Station</th>
<th>Case / income impact headlines</th>
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<tbody>
<tr>
<td>Radio Kitara</td>
<td><strong>Rural tobacco farmers</strong></td>
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<tr>
<td></td>
<td>• 25,000 poor farmers increasing incomes from $180 to $530 / year (removal of rent seeking practices)</td>
</tr>
<tr>
<td>CBS</td>
<td><strong>Farmers night market</strong></td>
</tr>
<tr>
<td></td>
<td>• Incomes of poor farmers increased by 50% (improved rights, security and infrastructure services)</td>
</tr>
<tr>
<td>Voice of Kigezi</td>
<td><strong>Women stone crushers</strong></td>
</tr>
<tr>
<td></td>
<td>• Incomes of poor women labourers increased by 40-60% (regulation of gender power abuses in commercial deals)</td>
</tr>
<tr>
<td>Voice of Kigezi</td>
<td><strong>Bus park tendering</strong></td>
</tr>
<tr>
<td></td>
<td>• Pressure to reform management and inefficient tendering processes (improved advocacy and voice)</td>
</tr>
<tr>
<td>Voice of Toro</td>
<td><strong>Food market traders</strong></td>
</tr>
<tr>
<td></td>
<td>• Food vendor incomes increased by 80-100% and associated consumer health impacts (improved market facilities and sanitation)</td>
</tr>
<tr>
<td>CBS / various</td>
<td><strong>Environmental lobby</strong></td>
</tr>
<tr>
<td></td>
<td>• Protection of primary forest and related small scale NTFP (enforcement of environmental protection laws)</td>
</tr>
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</table>

The majority of the cases relate to radio programmes that have been supported by FIT Uganda (a Ugandan development company) and the FIT SEMA project (an ILO project). These interventions supported the launch of new radio programme formats that focused on business and livelihood issues. The substantial impact of these interventions on sustainability of programmes, innovation and copycatting and large scale outreach figures are touched on in this report.

Going further, the research presented here looks at impacts of these programmes on the livelihoods of the poor. All of the cases researched occurred some years after any direct project intervention. As such they speak positively about the FIT Uganda and ILO experience, and of the ability and willingness of commercial radio to serve a more public interest and in doing so offer an effective mechanism for poor people to tackle policy, legal, regulatory and administrative issues that matter to them.

At its heart, this case is about core development issues of sustainability, localisation, impact and the role of donor agencies in BE reform processes. It presents an experience that has achieved considerable success against each of these issues. As such it is highly relevant both to the specific agenda of the Accra Conference, but also to development agencies more widely.
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This paper was prepared on behalf of the Fauno Consortium (Skat, Springfield Centre, Swisscontact, Facet, Inbas), which is a mandate of the Employment and Income Division of the Swiss Agency for Development and Cooperation (SDC).

This document represents the views of the author and does not imply the expression of any opinion whatsoever of the SDC, the Employment and Income Division.
1. INTRODUCTION AND BACKGROUND

“In recent years there has been an accelerating trend away from government monopoly broadcasting, and towards a diverse media industry in the private sector; while public broadcasting has worked well in some cases (e.g. the BBC in the UK), it is a model that has proved difficult to reproduce in the poorest countries. Exploring ways in which the capacity of new, private media can be harnessed for enterprise development is therefore a priority.”

This paper responds directly to the above call to action. It presents new research findings on the impact of commercial radio in Uganda on the livelihoods of the rural poor through its role as an active driver of change in business environment reform processes.

Specifically, the research addresses the following questions:

- Is the radio media an effective driver of change in BE reform in Uganda?
- What factors underpin radio media as a driver of change in BE reform in Uganda?
- What can donors do to support and strengthen media as a driver of change?

The research behind this paper was undertaken in mid-2007. Whilst, due to timing and resources available, the research is not comprehensive or exhaustive, it is rigorous and provides valuable insights into the role and impact of mass media in business environment reform.

The research emerges from the confluence of two streams of activity and interest.

Firstly, it relates to the work of the Business Environment Working Group (BEWG) of the DCED. Emerging from the Bangkok Conference was recognition of a number of outstanding challenges related to issues of sustainability, localisation, impact and the role of donor agencies in BE reform processes. These “hot topics” are confirmed in Box 1. Also emerging at the conference, and captured now in the above mentioned DCED briefing note, was the question of what, if any, role the media can play as an active driver of change in BE reform. Such questions remain highly relevant to the Accra Conference.

**Box 1: Key Issues Emerging from the Bangkok Conference:**

- “…it is essential to find ways whereby the desire, skills and momentum for change is maintained beyond the life of donor programmes.”
- “What are the issues that affect sustainability and how can these issues be addressed by donor agencies?”
- “…donor agencies at national and regional levels often struggle to find practical ways to promote local ownership of reform efforts.”
- “…how the poor – both men and women, ethnic minorities, informal firms and workers, micro-entrepreneurs, small scale farmers, etc. – are affected by business environment reforms and how reforms can lead to more pro poor market outcomes.”

Secondly, it relates to the work of the Employment and Income Division (E+I) of SDC. Concerned with the above mentioned “key issues” and therefore in promoting a more
systemic approach to private sector development, E+I had been reviewing experiences from various development programmes that have been working to implement the emerging “making markets work for the poor – M4P – approach”. One such case considered the work of FIT Uganda (a Ugandan development organisation) and FIT SEMA (an ILO project supported by various donor funders that built on work initiated by FIT Uganda). The case study details the successful experience of supporting the growth of sustainable income and small business oriented radio programmes. The case provided interesting, but anecdotal, evidence of various impacts related to business environment reform.

This paper builds on this recent work funded by SDC which highlights well the achievements of FIT-Uganda and the ILO as regards the sustainability of high levels of outreach of radio as an advocacy and information service to rural producers. This current research focuses specifically on the impact of radio as an advocacy service tackling BE reform issues for the livelihood benefit of the rural poor. Particularly so as the impact cases presented were all realised between 1 and 5 years after any direct engagement between FIT Uganda and ILO and the radio stations researched.

This paper has been adapted and abridged for the Accra conference from a more comprehensive paper currently being prepared for the E+I Division of SDC.

2. IS RADIO AN EFFECTIVE DRIVER OF CHANGE IN BE REFORM IN UGANDA?

This section explains the causal model for impact on which the research was based, gives details of the research methodology and summarises 3 of the 6 case studies researched. The impact identified highlights the potential role of radio (and mass media more widely) in impacting on business environment reform.

2.1 Causal Impact Model

Figure 1: Chain of impact causality

<table>
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<th>Radio Programmes that provide:</th>
<th>Individual perception change</th>
<th>Behaviour change (action)</th>
<th>Business environment change</th>
<th>Business change</th>
<th>Socio-economic change</th>
</tr>
</thead>
</table>
| • Information on policy issues. | Improved understanding of a range of business related issues among: | • Improved or new practices: policy making, regulation, representation. | • Direct business benefits: reduced burdens, better infrastructure, access to opportunities, services and inputs. | • Improved bottom-line performance: increased sales, productivity, profitability, start-up, resilience | • Increased incomes  
• Increased employment  
• Improved working conditions |
| • Voice: to communicate opinions on current and new policy. | • Policy makers and influencers  
• Private sector peers  
• The wider public (electorate) | • Increased lobbying and support for policy reform | | | |
The causal model for the impact of radio programmes on BE reform processes as a means to improved incomes of the poor is detailed in Figure 1. Radio programmes can have a direct impact on the perception of individuals enhancing their understanding of a range of business related issues. This leads to a potential behavioural change in policy making or lobbying for policy reform which can lead to tangible change in the business environment and therefore business level and socio-economic impacts.

The research was structured around this causal impact model exploring impact and assessing causality through the chain. The team directly interviewed key stakeholders, and followed good survey practice of engaging with key informants and managing focus group discussions to fill information gaps, and to balance information received.

2.2 Research Methodology
As confirmed in Figure 2 below, our research approach was based on the generation of case studies. As such, our research findings present a high degree of causality and attribution, but are not necessarily representative and therefore are not open to the degree of statistical analysis and manipulation that more experiential designs might afford.

Figure 2: Approaches to Impact Assessment

A case study approach was chosen primarily due to reasons of cost and time for the research. That being said, applying an experimental design to assessing this particular experience would be fraught with technical difficulties due to the public nature of mass media and the retrospective nature of this analysis.

A long list of potential cases was generated by a small team of Ugandan researchers. Using researchers from within the industry meant that they already had connections within the sector and were quickly able to contact a short list of radio stations introducing the work and inviting them to "self-select" experiences for consideration. Following discussions and further probing, the team selected a short list of 8 cases which would be investigated further. The full paper is based on 6 case studies (2 having been dropped due to problems of attributing impact directly). Three of the case studies are explored in this abridged version.

Source: Eric Oldsman
### 2.3 Impact Results

A summary of impacts is presented in Table 2 below. This includes the direct impacts of the FIT Uganda programme on issues of sustainability, outreach and innovation in radio programme formats. It also includes the impacts of these radio programmes – after project intervention – on BE reform processes, and ultimately on incomes of the poor.

**Table 2: Summary of impact results of work on radio for small enterprise in Uganda**

| **Outreach** | 7 million regular listeners (74% of adults in mid to low income group) to small business radio programmes.  
96% of regular listeners perceived that they benefited from these programmes, with 56% rating the programmes as highly beneficial. |
|--------------|---------------------------------------------------------------------------------------------------------------------------------|
| **Sustainability** | In 2006:  
One third of all radio stations were running small business programmes.  
Around 55 regular business and livelihood programmes running |
| **Sustainability and “crowding in”** | Around 60% of the programmes running were copycat programmes, whose target and format were copied from stations that initiated the programme.  
Radio programmes have been running for up to 7 years with no ongoing donor funding or support. |
| **Specific BE reforms (identified under this research)** | **Case study 1: Rural tobacco farmers in Northern Uganda**  
Income of 25000 farmers protected and more than tripled from $180 to $530 a year.  
Increase in out-growers from 25,000 to 47,000 |
| | **Case study 2: Night Market in central Uganda**  
Income of 60 small scale farmers protected and increased by 50%  
43 additional farmers entered the market. |
| | **Case study 3: Women stone crushers in South Western Uganda**  
Income of 80 stone crushers increased by between 40-60%  
Increased ability and confidence of some women to invest in new business activities. |
| | **Case study 4: Activists on corruption in rural public transport in South Western Uganda**  
Case study highlights an ongoing process rather than specific impact. |
| | **Case study 5: Market traders in Western Uganda**  
Up to 100% increase in income of 80 to 100 food vendors due to improved improved facilities and sanitation. |
| | **Case study 6: Environmental lobby and national government**  
Protection of non-timber forest enterprises including honey, fruit collection and medicinal plant collection in Mabira area.  
Protection of a growing eco-tourism industry.  
Suggested wider impact on enterprises by reducing risks of water and electricity shortages. |
All of the cases demonstrate clear causality between the actions of the radio programme, ultimately with improved incomes of poor people. The diversity of cases presented demonstrates the “localisation” and embedded nature of the impacts (and responds therefore to the call of Bangkok). The question of “generalisability” (or extrapolation of results) is pertinent. Whilst the impacts shown under each case can’t in themselves be extrapolated, the evidence (sustainability, outreach and research experience) shows that these cases are simply “snapshots in time” and are neither isolated nor unique. The impacts are therefore indicative of greater, cumulative impact overall. This was underlined during the research by the number of potential case studies where radio had impacted by giving voice to various groups of businesspeople (e.g. taxi drivers, fishermen, cross border traders, pyrethrum farmers, dairy traders and processors).

In the case studies, the impact of radio on the business environment is an ongoing process that is likely to continue into the foreseeable future. As highlighted, some of the programmes involved in the six case studies had no donor support and, while the majority grew out of interventions initiated by FIT Uganda and/or the ILO, there was often a significant time lapse between the intervention and the case. While the intervention was critical in establishing the radio programmes involved, the impacts came about under a sustainable programme that was playing an ongoing role in business environment reform.

2.3.1 Case study 1: Rural tobacco farmers in Northern Uganda (Radio Kitara)

The theme of this case concerns exposing corruption and bringing about policy change at corporate business level. It was lead by Radio Kitara, who had benefited from ILO FIT SEMA training in 2003 on approaches for field based investigative programmes. The date of this impact case was from 2004.

In 2003 British American Tobacco (BAT) was facing a major problem with its outgrowing scheme in Uganda. From the company’s perspective the problem appeared to be caused by the more than 25,000 small scale farmers who were producing poorer quality and increasingly lower yields. Unknown to BAT’s senior management in their Kampala headquarters was the breakdown in the farmer-BAT buyer relationship in the field. The farmers were accusing the BAT buyers and graders of widespread rent-seeing that was significantly reducing their incomes and making tobacco an unprofitable crop. This relationship breakdown was resulting in farmers loosing heart and opting out of tobacco growing potentially destroying the whole supply chain that provides important income to rural communities.

A journalist, Alice Kabatooro, working for a local commercial radio station uncovered the story when undertaking field based investigations into the potential impact of a public smoking ban for a weekly income and business programme. She ran a village based debate on the issue which she recorded. On taking the accusations to the local BAT buyers Alice was threatened with violence if the story was made public. Alice persevered and ran a series of radio programmes on the issue. Despite generating local public response and outrage and the ear of the local government officials who were mandated to monitor tobacco under the Tobacco Marketing Act, the problem was not resolved locally. Alice therefore followed the story up by travelling to Kampala and presenting her findings to senior manager’s at BAT headquarters.

The response of BAT was almost immediate. An enquiry was undertaken and within a year BAT had restructured its field operations and the way grading and buying was undertaken and in the process the majority of their field staff was made redundant. BAT altered its policy on communications, investing in local radio as a means of both conveying information to their outgrowers and providing platforms to allow the outgrowers to discuss and voice issues and problems.

In line with our causal model, impacts assessed are presented in Figure 3 below:
The impact of the radio programmes were clearly attributed by farmers and BAT and this case study resulted in a surprisingly high impact (scale). The resulting changes in corporate policy for smallholder farmer outgrowing have resulted in renewed interest in tobacco growing particularly as farmers in the research area have tripled the income they make from tobacco. There has been a significant rise in the number of out-growers to 47,000 and Ugandan tobacco quality has risen. This is significant for the national income since tobacco is the single largest source of tax contributing one-sixteenth to the total tax revenue.

While this case study focuses on the tobacco supply chain, it is more widely relevant as an example of empowering poorer, rural suppliers within general supply chains. Similar examples of radio programmes highlighting problems of farmers and small scale suppliers were noted in pyrethrum, tobacco, vanilla and sugar. The power relationship between rural and small scale suppliers and corporate buyers is inevitably screwed in favour of the buyer and as this example highlights, radio can play an important role in empowering suppliers within supply chains.

2.3.2 Case study 2: Night Market in Central Uganda (CBS Radio)

The theme of this case concerns the stimulation of public policy debate forums and the set up and operation of citizen’s watchdog groups. It comes from CBS, a radio station that received support from FIT Uganda (funded by IDRC) in 1999 to help establish the new programme format, and received subsequent training in journalism funded by ILO FIT SEMA in 2003. The case presented has emerged from results of the programme over a period 2003-2005.

CBS (Central Broadcasting Service) was a ground breaker in establishing its twice weekly small business radio programme Nekolera Gyange. This programme has been the model for numerous similar programmes around the country and has a strong listenership and 100% sponsorship by a mobile telecommunications company, MTN. Nekolera Gyange has been involved in taking radio to the people and through its producer, Hamzat Ssenoga, has pioneered monthly town and village level business debates which bring local and national government together with local business communities to discuss areas of concern and opportunity.
This case study focuses on the activities of this ‘Nekolera Gyange mobile’ in Mpigi, a small town and district capital in central Uganda. The programme provided a platform for the local business community in a conflict-afflicted town market to discuss issues and concerns with local councillors and government officials. This debate was followed up by the radio station and resulted in many of the concerns being addressed with improved infrastructure, sanitation and waste disposal. In particular, the most marginalized traders in the market – the Nabyerengera (farmers who come to a night market to sell produce directly) were given official recognition and right to sell in the market.

The connection with the town’s business community and the Nekolera Gyange production team was reinforced by the formation of a listener club that acted as a contact point and watchdog for the programme. This group frequently contacts the production team to inform them of newsworthy issues and during the research the Nekolera Gyange journalist had been called to investigate rumours and potential conflict in the re-organisation of the market. This model of a citizen’s watchdog group has been replicated by CBS in three areas of the country providing a unique model for public/media collaboration in local policy reform and monitoring.

These dynamics are represented in the impact chain presented in Figure 4:

Figure 4: Causality for radio supporting local government policy change

The impact analysis of this case study primarily focused on the impact on the Nabyerengera (the part time night traders who are said to be the poorest traders in the market). Sixty of these traders, and therefore sixty households, had their income protected and savings and increased revenue doubled the daily earnings from direct trading. While the numbers involved were relatively small (60 original traders with an additional 47 joining) this case is indicative of radio’s potential role in empowering local government policy dialogue and change in a very direct and practical way.

2.3.3 Case study 3: Women stone crushers in South Western Uganda (Voice of Kigezi)

The dominant theme of this case centres on the tackling of gender and social equity issues for the poorest in society. The case emerges from the work of Voice of Kigezi, who in 2003 received training (ILO with DFID funding) in field based investigative programming. The case impacts dawn from 2004.
Stone crushing for construction is undertaken by poor women who have few other income opportunities or choices. It is a difficult job made harder by their informality, lacking trading licenses and representation, and facing widespread gender inequality. In South-western Uganda 80 of these women were having their struggle for a livelihood made harder by the theft of the stone they crushed. Men who frequented the local bars along the dirt roads were selling the stone to the arriving buyers and lorry drivers while the women were in the quarries and refusing to hand on the proceeds. The women felt powerless when faced with this widespread theft. In traditional society, men are perceived to be the owners of land and therefore the proceeds, such as stone, of the land. Complaints fell on deaf ears and the fact that they were informal and unlicensed made them feel unable to force the police and local government to act.

The story of the stone crushers was picked up by the journalist of a local FM radio station, Alex Akankwasa, following his training in undertaking field based investigations. The story, while not widely relevant to the audience of a weekly business programme he ran, had human appeal and he believed merited broadcasting. He ran the programme about the plight of the women involving the district gender officer and women’s representative councillor. Despite this the single programme appeared not to have a direct impact and the programme was rerun on a more popular prime time programme. This resulted in a significant public response which in turn triggered action by the women’s representative councillor.

The resulting significant reduction in the prevalence of theft from the women stone crushers can be attributed to a number of factors each resulting from the radio coverage. Consumers of the stone became aware of the issue and many ceased buying from the men and sought the women stone crushers themselves. From a policy perspective, the coverage resulted in a district level councillor (the LC5 women’s representative) going to LC1 councillors to demand action and making a public address emphasizing the women’s right. The action taken by the women’s representative councillor empowered the women to assert their rights and threaten the men with action if the theft continued. It was the public nature of the exposure of this story that appeared to trigger a response from consumers of the stone and local government officials.

The associated impacts are represented in Figure 5 below:

**Figure 5: Causality for radio enforcing women’s rights**

<table>
<thead>
<tr>
<th>CHAIN OF CAUSALITY</th>
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<tbody>
<tr>
<td>Individual perception change</td>
</tr>
<tr>
<td>Behaviour change (action)</td>
</tr>
<tr>
<td>Business environment change</td>
</tr>
<tr>
<td>Business and socio-economic change</td>
</tr>
</tbody>
</table>

**LEVEL OF IMPACT**
- Voice of Kigezi
  - Investigative programme into the plight of women stone crushers

**NATURE OF IMPACT**
- Awareness raised of the issue among:
  - Local politicians
  - Gender officials
  - Buyers of stone
  - Wider public

- Pressure placed on local government to act by senior elected women’s representative.
- Threat of action issued publicly by officials.
- Buyers began to not buy from the men

- Enforcement of established procedures to protect women’s rights.

- Income of 80 stone crushers increased by between 40-60%
- Increased ability and confidence of some women to invest in new business activities.

This case study highlights well the impact on enforcing women’s rights in business. The key impact was on stimulating local officials to enforce established procedures and rules to
protect women in business. This resulted in the income of 80 women rising between 40% to 60%.

3. WHAT FACTORS UNDERPIN RADIO MEDIA AS A DRIVER OF CHANGE IN BUSINESS REFORM IN UGANDA?

This section identifies the key factors that contributed to radio achieving impacts in business environment reform. Such an analysis potentially informs future interventions aiming to make media a more effective driver of positive change.

3.1 Wider business environment factors affecting radio media in Uganda

There are a number of important characteristics of the media industry and political structure of Uganda that have contributed to radio playing a role in business environment reform.

### Liberalisation of the media sector

The media in Uganda is relatively liberalized and radio was opened up to private investment in 1993. There are over 120 radio stations many of which are local, broadcasting in local languages (of which Uganda has 37).

*That stimulated….*

### Growing competitiveness in the media

The growth of commercial media has created increased competition for advertising revenue. Radio stations are judged on their listenership and radio stations need to diversify formats and programming to attract listeners. This creates an environment for programme innovation and change.

*That fostered a desire for product differentiation and innovation...*

### Importance of rural and poorer audiences to radio industry

Radio is perceived as the most appropriate media to reach poorer, less-educated and non-urban listeners. The mass rural audience (87.5% of Uganda’s population live outside urban areas) is therefore a critical target for radio.

*Which led to better understanding of audience... (where & how to innovate)*

### A demand for diverse content from listeners

While radio is an important source of entertainment, ordinary Ugandans demand diversity from radio programming. The lack of access to other media (TV, newspapers, internet etc) means that radio is the only source of information other than word of mouth. With the large majority of households reliant on small business, farming and self-employment there is a significant demand for programming that covers livelihood, income, farming and small business issues.

The environment in Uganda was therefore conducive to the growth of radio programming that focuses on small business and income.
A related set of factors centre on issues related to decentralisation and public administration reform in Uganda. Five of the six case studies analysed under the research (and all three of the case studies explored in this abridged paper) relate to business environment reform at sub-national level. Uganda has a highly decentralized government structure which is relevant for a number of reasons:

- **Local government’s relevance to business:** Local government in Uganda has jurisdiction over tenders, markets, bus parks and licensing and has some local tax collecting power and therefore independent budgets. Local government are therefore in control of investing into local infrastructure and in environmental and health protection and have the power to issue and suspend business licenses and are involved in tendering both public works contracts and management of markets, bus parks and public utilities.

- **Localisation of business environment issues:** The decentralized structure allows for local business issues to be raised prominently on the political agenda. Many of the issues in the case studies were extremely local and relevant only within a small area (e.g. stone crushers and night market). While these issues may have wider or even national resonance, they were unlikely to appear on national political agendas. Decentralization can therefore be seen to have been a key factor in the impact of radio on business environment reform.

- **Emerging democracy at local government levels:** Another key factor is the emerging and growing democracy at local government levels. At one level local electorates are increasingly aware of their rights and feel able, without the threat of reprisal, to voice opinion on local government issues. Some observers also note that with the increasing access to information there is a corresponding increase in voting based on performance rather than community or tribal affiliations. In response to this deepening democracy, local elected officials are increasingly aware of the need to be responsive to their constituency or at least be seen to be responsive.

So what are the underlying incentives at play that have enabled radio to begin to play an effective role in business environment reform?

**A competitive radio industry that is working (to some degree) for the poor**

There are clear incentives for commercial radio in a competitive environment to be responsive to the demands and interests of mass audiences. In Uganda, greater relevance to small business was achieved through the growth of local, vernacular language broadcasters that are responsive to local issues and interests. Without a competitive industry with the corresponding supporting functions and regulations, the incentive to diversify formats and innovate new, costlier and, in the case of investigative and local current affairs shows, potentially politically sensitive programming.

**The role of radio in building political economy**

Another incentive coming into play in the case studies is related to the “supply and demand” dimensions of political economy markets. The mass media provides a public platform for issues to be raised and explored. This contributes to building public demand for action or reform. The public nature of media therefore increases the incentive for government, particularly democratically elected government, to respond to this demand for action or reform. The “additionality” of mass media on ‘closed door’ regulatory analysis, discourse and reform is in making business environment debate public and building the demand and supply of political economy.
3.2 Role of donor intervention (FIT Uganda and ILO) to make media markets work better for the poor

Four of the six case studies came about through radio programmes that had been directly initiated through donor intervention. In this case the FIT Uganda and ILO projects. Donor intervention therefore played a catalytic role in bringing about the conditions for radio to play a role in business environment reform. A key factor in this success is the approach of the interventions in focusing on sustainability in contrast to traditional approaches to working with the mass media. This contrast is highlighted by comparing the FIT Uganda and ILO approach with that of traditional ‘farm radio’.

In a 2001 FAO conference on Farm Radio Broadcasting, Andrew Shepherd presented a paper assessing the track record of broadcasting of market information services (MIS). He noted that:

“By and large these have failed to meet their objectives and have experienced problems of sustainability. In Africa, MIS have tended to thrive while supported by donor projects, only to fade away when the donors leave.”

He concludes that:

“Farmers will continue to be poorly served with market information if progress is only made on the basis of initiatives of donors and NGOs. Indeed, in some cases these initiatives may be counterproductive when they offer the possibility for radio stations to be paid for market information broadcasts. Stations come to see these programmes as the equivalent of paid advertisements.”

The FIT Uganda and ILO interventions in radio in Uganda in contrast focused on embedding business related programming into private broadcasting in Uganda. This meant understanding the sector and the incentives and capacities within the market system. Interventions therefore were explicitly pursued with the objective of sharpening incentives to innovate and develop new programming focused on business issues.

As figure 6 shows, the result of most traditional approaches to using radio as a ‘tool’ in delivering information will follow the trajectory of project A. The FIT Uganda and ILO Interventions in Uganda is more in line with the trajectory of project B. This sustainability resulted in the programmes being ongoing after the interventions had ceased and continuing to play a role in business environment reform. This approach also ensured that radio programming was responding to local issues and problems rather than being the messenger for a development organisation or donor project.

The FIT Uganda and ILO interventions have resulted in radio programming that has achieved sustainability and reached significant scale (7 million listeners). The intervention also fostered a race to the top in terms of crowding in. In 2006 there were reported to be 55 business radio programmes broadcasting on 38 radio stations, the large majority of these traceable to original

Figure 6: project sustainability

![Figure 6: project sustainability](image)

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1 For more information on the FIT Uganda and ILO experience see the SDC Making Markets Work for the Poor Case Study ‘Expanding the poor’s access to business information and voice through FM radio in Uganda.'
programmes supported by FIT Uganda and the ILO. Donor intervention in the Ugandan context of a relatively diverse and liberal radio industry, with decentralization and a deepening democracy therefore set the framework within which the business environment impacts were realised.

4. WHAT CAN DONORS DO TO SUPPORT AND STRENGTHEN MEDIA AS A DRIVER OF CHANGE?

This therefore begs the question about how relevant and replicable the Ugandan experience is. Was the Ugandan scenario unique and is this experience replicable elsewhere?

As noted in the opening quote from the DCED media briefing note, media liberalization and diversification is a global and in the case of broadcast media, a relatively recent phenomenon across many countries (see figure 7). This recent growth of media industries can therefore be seen as a significant opportunity to make media work better for the poor and therefore potentially in impacting on business environment reform. Uganda is not therefore unique in its liberalization, but is at the head of the curve.

In addition, there is increasing decentralisation and democratic reform in many countries and this is a particular area of donor interest. The Uganda experience, rather than lacking wider relevance, should therefore be viewed as insightful to opportunities more widely.

So how can donors potentially intervene to strengthen media’s role as a driver of change?

<table>
<thead>
<tr>
<th>Figure 7 : Radio Liberalization in selected countries</th>
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<tr>
<td><strong>Year of launch of first private radio station</strong></td>
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<tr>
<td>Uganda: 1993</td>
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<td>Tanzania: 1994</td>
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</table>

1) Support emerging market structures

Donors can support the creation of an environment in which media can diversify and grow and in which government is responsive to the issues of the local business. This can involve promoting and supporting media reform processes that allow the growth of free and diverse media industries.

Based on the evidence of the research, local media responding to the locally specific issues of small business is a particularly powerful combination and has particular relevance in local economic development (LED). Local media is often stifled by regulation, lack of investment and lack of know how. Donors can play an important role in reducing the barriers and increasing incentives to the growth of local and therefore more rurally focused media that has greater relevance to the lives of the majority rather than merely the urban elite.

2) Support processes of competition and innovation

Donors can also support the adoption and growth of media formats that bring about positive change in the business environment (e.g. field based investigative programming, business debates). This can be done by reducing the risk of innovation, building the capacity to innovate and enhancing incentives for reform.

3) Build market institutions and the market system

At the heart of this approach is the need to work at the systemic level of media and ensure that the media works effectively for the poor and therefore underpins and supports a developmental agenda. The case studies analysed were successful examples of media’s role in reform, but media can also be a platform for unsubstantiated rumour and misinformation. Professional journalism standards and skills are therefore essential as are the supporting services that make the media effective, efficient and relevant. Donor
interventions can build the media system as a potential driver of positive change by, for example:

- Raising professional media standards, for example, by supporting the development of codes of practice, voluntary standards and self regulation.
- Building journalism capacity and skills and the training and skills services provided to the industry.
- Support investigative “public interest” journalism through promoting greater openness generally, and access to legal services specifically.
- Building competitiveness and profitability of media industries, particularly those sections which more effectively reach and serve the poor, rural audiences, women etc. This brings in the role of networking rural radio stations to improve their ability to market themselves and ensuring that audience research fairly represents the listening habits of rural and marginalized groups.

Private sector development practitioners are particularly well placed to enhance the role of the media. In the past, much work in media was about reforming media as a public service. But, with the growth of media industries, the focus inevitably shifts to making diverse media markets work; an activity which requires private sector understanding and skill as well as understanding of journalism and media. These activities overlap with work in wider political governance where capacity building independent media is a clear current priority. The emerging field of Private Sector Development therefore potentially has an opportunity to add value to these existing activities and increase the focus on making media markets work for promoting economic and business environment reform.

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1 Anderson, G & Hitchins, R, “Expanding the poor’s access to business information and voice through FM radio in Uganda”, 2007, published by SDC under their “Making Markets Work for the Poor case study series.”