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**A non-profit approach to market-driven journalism challenges in  
Uganda: A case study of Uganda Radio Network**

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## Abstract

It is not news that legacy media are not making much money anymore. Print media have been most hit, as the traditional business model falters, but broadcasting has had its fair share of the turbulence. In reaction, media organisations have laid off journalists, slashed journalism related expenses and created newsrooms with a marketing flavour.

This market-driven approach has arguably led to a dumbing down of content as news media pander to the lowest common denominator. Going digital to keep up with their audiences who have migrated en masse to online sources of information has offered promise but not a quick fix.

In Uganda, the media scene is vibrant, at least on the face of it, with dozens of newspapers and magazines, and hundreds of radio and television stations operating. However, underneath is an industry in peril as the difficult economic and political environment, coupled with the rise of social media, take their toll. This is particularly worrisome in a country like Uganda where, without sufficiently developed state institutions, people look to independent journalism to hold the government accountable and to fight corruption and other excesses of the powerful.

As the media industry ponders how to save journalism amid the disruption, non-profit journalism has gained traction, among other innovations. The thinking behind non-profits is rooted in the conviction that news is a public good which shouldn't be abandoned to market forces. There is a realisation that news is no longer a profitable commodity given that it is produced at high cost and yet in the digital age it is easily and cheaply accessible. In other words, for good journalism to survive, a new support system is imperative. A system that promotes grants, crowd-funding, subscriptions and philanthropy as guarantors of independent quality journalism.

Even though non-profits are yet to be commonplace in Uganda, Uganda Radio Network (URN) has been active now for eleven years. A media development programme bankrolled by European countries, URN has demonstrated that shielded from the vagaries of the market, independent journalism can continue to serve the public good.

However, like other non-profits worldwide, URN has to contend with concerns about the viability and sustainability of its approach.

## 1. INTRODUCTION

*The only way to save journalism is to develop a new model that finds profit in truth, vigilance, and social responsibility*<sup>1</sup>

The political and economic realities of Uganda have increasingly made it tricky for traditional privately owned media businesses to make a profit and at the same time act as an effective fourth estate with the noble public duty of propelling the country towards better governance and social development.

Achieving these two objectives amid the declining power of legacy media manifested in dwindling newspaper circulation and advertising figures, and the rise of digital media, is a challenge that affects news media not only in Uganda but worldwide.

Desperate to extract more from a shrinking advertising cake while courting more readers and listeners to stay in business, the news media in Uganda have drifted towards market-driven journalism. Characteristics of this phenomenon include "editorial-business alliances, increasing news coverage of celebrities" and "infotainment" laced with sensationalism.<sup>2</sup>

Explaining market-driven journalism further, Underwood (1993) writes that "marketplace pressures have led to the appearance of a new kind of editor, a cross between an editor and a marketing official."<sup>3</sup>

Herrick (2003) adds that "the major premise behind the call for market-driven journalism has been to build print circulation or add broadcast viewers, which in turn will bring in more advertising dollars."<sup>4</sup>

In effect, however, market-driven journalism tends to compromise the "quality and quantity" of news as editors are forced to pander to "the lowest common denominator"<sup>5</sup> when faced with tough decisions relating to the business.

Seeking to shield quality journalism from the vagaries of the market, this study explores an alternative model in the form of a case study. The study investigates Uganda Radio Network (URN), a non-profit news agency, asking whether it offers a viable alternative to market-driven journalism.

### Background

This study is inspired by my personal experience as a journalist and media owner for many years. This background has exposed me to the state of health of journalism in Uganda

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<sup>1</sup> From 'The Vanishing Newspaper' by Philip Mayer, Knight Chair and professor of journalism at the University of North Carolina. Accessed on July 2, 2016: [http://www.cjr.org/feature/the\\_nonprofit\\_road.php](http://www.cjr.org/feature/the_nonprofit_road.php)

<sup>2</sup> Doug Underwood, "When MBAs Rule the Newsroom", New York: Columbia University Press, 1993:15.

<sup>3</sup> Ibid.

<sup>4</sup> Dennis F. Herrick, "Media Management in the age of Giants", *Business Dynamics of Journalism*, Iowa State Press, 2003:289.

<sup>5</sup> Ibid.

today and afforded me an appreciation of the fundamental developments taking place in the media industry domestically and internationally.

On the face of it, Uganda is a bustling media market with 16 newspapers, 300 radio stations and 75 TV stations.<sup>6</sup> In addition, the last couple of years have seen tremendous growth in internet penetration with the number of internet users estimated at 32% of the population in 2015.<sup>7</sup>

However, the newspapers have appallingly low circulation, with the leading daily selling 29,000 copies, according to 2015 Audit Bureau of Circulations (ABC) figures, in a country of 35 million people. The FM radio stations on the other hand are mostly tiny enterprises which tend to concentrate on entertainment, so their news content is generally of low quality.

Because many media houses are not financially secure, there is little, if any, investment in outstanding journalism. As a result, there is a high turn-over of journalists. Consequently, many newsrooms are too young and inexperienced. The more such media organisations struggle, the more they look to advertising for redemption.

However, advertising, which contributes the bulk of many media houses' revenue, has been declining for years now. For example, total advertising expenditure in Uganda grew by 35 percent in 2010 but only 5 percent in 2014 and 1 percent in 2015. For print media, advertising dropped from 21 percent in 2010 to 17 percent in 2015, while radio advertising shrunk from 60 percent to 58 percent during the same period.<sup>8</sup>

To keep advertising revenue flowing, some media organisations have conscripted editorial staff to advance their commercial agenda. This manifests in editors getting targets aimed at maximising sales, and key advertisers suspiciously avoiding public scrutiny but reveling in cosmetic public relations, in the same media.

In the process, news of public interest could easily get conveniently skipped or skewed in a conspiracy to protect both the client and the media houses' financial interests. Media houses that stick to ethics are at risk of financial ruin.

A report on public broadcasting in Uganda has this to say about this deplorable state of affairs:

Major advertisers continue to exert pressure on commercial broadcasters to the extent that certain stories that would put them in a bad light are often not aired at all. Instead, these advertisers, especially mobile phone service providers, banks, and soft drinks and beer companies, generally manage to have their corporate promotions as dominant features of the news not only on radio and TV but in the media generally.<sup>9</sup>

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<sup>6</sup> Source: Ipsos Connect 2015.

<sup>7</sup> [www.internetworldstats.com/africa.html](http://www.internetworldstats.com/africa.html)

<sup>8</sup> Source: Ipsos Connect 2015.

<sup>9</sup> George Lugalambi, Peter G. Mwesige and Hendrik Bussiek, "On Air: Uganda", *Public Broadcasting in Africa Series*, Open Society Initiative for East Africa, Nairobi, 2010: 48.

This precarious political economy of the media in Uganda calls for a paradigm shift in the way journalism is perceived and funded. As "a pluralistic, sustainable, editorially independent media sector is a cornerstone of good governance and long term development," it is important that media development interventions be encouraged to mitigate the situation.<sup>10</sup> Accordingly, some media professionals have proposed models supported by donor agencies, non-governmental organisations or other independent sources as a way out of the market quagmire.

This study sets out to answer these questions: Is a non-profit approach such as URN an effective bulwark against the challenges associated with market-driven journalism? Is such a journalism model viable and sustainable? To answer these questions, this study examines the strengths, weaknesses, opportunities and threats associated with the URN approach.

### **Uganda Radio Network**

Radio is the most important medium of information dissemination in Uganda (see Table 1). According to research company Ipsos Synovate, 89 percent of Ugandans rely on radio as their main source of information while 97 percent of all households own a radio set. This is because radio is relatively cheap and reaches many more people because of vernacular programming.

In comparison, the total daily circulation of Uganda's five major newspapers is below 100,000 copies. Similarly, television is out of reach for many Ugandans because it's not easily affordable and uses electricity in a country where only 20% of the households are connected to the national grid.<sup>11</sup>

This leaves radio as the medium of choice for majority of Ugandans. For that reason, this study will concentrate on radio. Because of its wide reach, radio has the potential to empower ordinary people and enable them to engage in public discourse. However, the vast majority of the 300 radio stations are small outfits established by businesspeople, politicians or religious groups to which journalism is not a priority. Not only is news production costly for these radio stations, they are weary of programming that might alienate advertisers and annoy the government. Music, entertainment, sports and talk-shows are the most common programmes.<sup>12</sup>

URN was conceived to help close this gap. The idea arose from the realization by the Institute for War and Peace Reporting, a journalism support organization based in South Africa, in the run-up to the 2006 elections in Uganda, that journalists in northern Uganda, which had been a war-zone for many years, lacked adequate skills in election and political reporting.

Today, URN is a full-fledged news agency that aims to raise the standard of broadcasting news, bankrolled by the Democratic Governance Facility (DGF), a development programme

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<sup>10</sup> Shanthi Kalathil, "Developing Independent Media as an Institution of Accountable Governance," World Bank, Washington DC, 2011: 5.

<sup>11</sup> Uganda Communications Commission says there are 3.2 million TV stations in Uganda, with 60 percent located in Kampala and surrounding areas: [www.ucc.co.ug/radioandbroadcasting\\_stations.xls](http://www.ucc.co.ug/radioandbroadcasting_stations.xls)

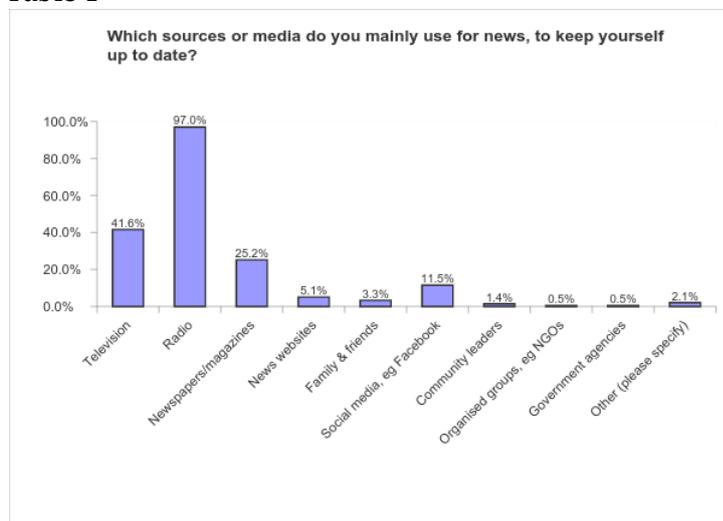
<sup>12</sup> George Lugalambi, "On Air: Uganda": 48.

supported by Austria, Denmark, European Union, Ireland, Netherlands, Norway, Sweden and United Kingdom.

URN commands a subscriber base of 85 radio stations and three newspapers. The news agency operates 14 regional bureaux and a network of correspondents across Uganda that is wider than any radio station's, and many newspapers too. The subscribing media houses as well as individuals interested in URN content are required to pay an affordable fee of Uganda Shillings 100,000 (£22) per month for the service.<sup>13</sup>

URN uploads 20-25 news stories,<sup>14</sup> features, interviews, documentaries, photographs and audios for its clients on its website [www.ugandaradionetwork.com](http://www.ugandaradionetwork.com) per day. In addition, URN maintains a prominent presence on Facebook and Twitter through which it posts news stories and champions public discourse. The news agency also supports journalism training and internship for radio production and management students.

Table 1



*How Ugandans get information. Source: DGF<sup>15</sup>*

### Non-profit journalism

Non-profit journalism (NPJ), which is also known as think tank journalism, is the practice of journalism as a not-for-profit venture rather than as a for-profit business. Non-profit outfits rely on private donations, crowd-funding, specialised funds and foundation grants, among others, to finance organisational expenses. With such financial support, "they are able to operate and serve the public good without the concern of debt, dividends and the need to make a profit."<sup>16</sup>

While it appears to be just emerging in Uganda, non-profit journalism has been in vogue in many countries, especially the United States, for many years. It is also true, however, that

<sup>13</sup> [www.ugandaradionetwork.com](http://www.ugandaradionetwork.com)

<sup>14</sup> Democratic Governance Facility, "Evaluation of DGF Media and Development Strategy and Three Partner Projects," Mid-Term Review, Kampala. 2015: 47.

<sup>15</sup> Ibid., 49.

<sup>16</sup> Wikipedia definition of "non-profit journalism".

the idea has gained currency in recent years, propelled in large part by the economic challenges afflicting traditional media.

However, this study also acknowledges that non-profit approaches are not the magic bullet needed to guarantee a healthy future for journalism. Donor support might prove unsustainable as benefactors get bored and quit, run out of money or switch interest to another cause. The donors could also be perceived to promote their own agendas in the media.

Nevertheless non-profit journalism might offer the media in countries such as Uganda an alternative to for-profit media businesses that are struggling under the weight of market-driven journalism.

This study aims to supplement existing literature on the political economy of the media in Uganda while illuminating the scarcely discussed phenomenon of non-profit media in the country.

This paper is divided into four chapters. The first chapter covers the introduction, which incorporates a brief overview of the subject. In the second chapter I deal with the research context within which the study is located. The third chapter covers findings and discussion arising from the research I conducted, while the fourth chapter is my conclusion.

## 2. RESEARCH CONTEXT

*A lot of journalism wouldn't have happened if someone hadn't paid for it*<sup>17</sup>

Cage (2016) describes independent journalism as a public good, likening it to universities, museums, theatre, film or other knowledge-based and cultural industries.<sup>18</sup> Although information is a public good, she writes, it resembles many other cultural goods in that the state cannot produce it directly. To Cage (2016), therefore, the problems facing traditional media today are problems associated with today's "knowledge economy", only that "knowledge and culture-producing sectors long ago developed models that sidestep the laws of the market" which the media have yet to do. Suggesting a model for the media, Cage writes:

Rethinking the economic model of the media must take place at the crossroads where the state and the market, public sector and private sector, intersect.<sup>19</sup>

As advertising revenues fall, digital media platforms rise and traditional media business models fail in many parts of the world, the reaction has been to lay off staff, cut back on journalism related expenses, jump onto the digital bandwagon or stop publishing altogether. Describing the traditional media as being "under siege", Cage writes:

The traditional media are under siege, with their backs to the wall. News is borrowed, relayed, and duplicated without compensation, even though it is costly to produce<sup>20</sup>.

These developments, which are evident across the world, have given rise to a re-assessment of the traditional media status quo and prompted the question: can good journalism be saved to continue to play its public interest role amid this precarious media environment?

For a long time many media organisations have operated as any other business. Media houses operating on this principle are expected to make money just like other conventional business or go under because "journalism is a business even if journalists like to pretend it is not."<sup>21</sup>

However, it has been argued that this approach overlooks the uniqueness of information as a public good and ultimately leads to poor quality journalism. For instance, McManus (1994) contends that profit-driven journalism has long been compromised.

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<sup>17</sup> Interview with Peter G. Mwesige, Executive Director, African Centre for Media Excellence (ACME).

<sup>18</sup> Julia Cage, "Saving the Media," *Capitalism, Crowdfunding, and Democracy*, Harvard University Press, Cambridge, 2016:13.

<sup>19</sup> *Ibid.*, 12-13.

<sup>20</sup> *Ibid.*, 5.

<sup>21</sup> Dennis F. Herrick, "Media Management": 12.

Market journalism values the attention of the wealthy and the young over the poor and the old because news selection must satisfy advertisers' preferences. In fact, rational market journalism must serve the market for investors, advertisers and powerful sources before - and often at the expense of - the public market for readers and viewers.<sup>22</sup>

For her part, Cage (2016) adds that when media organisations seek to make profit at all costs, it is often at the expense of quality information. She says:

Media companies should transcend the laws of the market because they are not like other companies. Their primary *raison d'être* should not be to maximise profit and pay dividends to stockholders but to provide a public good - the free, unbiased, high quality information that is indispensable to democratic debate.<sup>23</sup>

Thus in trying to cope with the problems facing traditional media, there is a growing realisation that news media are, after all, not like other businesses. After the United States' newspaper, *The Philadelphia Inquirer's* ownership was transferred to a non-profit organization, and *The New Republic* considered changing to non-profit status too, both developments happening around the same time, Nicholas Lemann of *New Yorker* magazine wrote that these instances "make public what the people who work at these publications have known for a long time: that parts of the news business might not really be a business."<sup>24</sup>

As the digital age continues to alter the media landscape and traditional news media continue to commit less resources to quality journalism, it's clear that to safeguard public interest journalism requires a new support system. To put it differently, there is need for new approaches to support the constant supply of quality information.<sup>25</sup>

One of these approaches is through non-profit journalism. Although non-profits have been around for a long time, they have become more popular over the last decade or so as media entrepreneurs seek to overcome the challenges posed by market-driven media.

In an article titled, *A Nonprofit Panacea for Newspapers?* David Folkenflik wrote that as the business model for newspapers cracks apart, "There are those who are lamenting and those who are inventing." He added that some journalists now believe "the industry should forget about making a profit altogether and find new ways to support the news."<sup>26</sup>

To some extent these journalists include Uganda's Peter G. Mwesige, executive director of the African Centre for Media Excellence, who contends that "there is a limit to what profit

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<sup>22</sup> John H. MacManus, "Market-Driven Journalism: Let the Citizen Beware?" Thousand Oaks, California, Sage Publications, 1994: 197.

<sup>23</sup> Julia Cage seminar presentation on "Saving the Media: A new Corporate Model for the Media" at Oxford University, May 25, 2016.

<sup>24</sup> Nicholas Lemann, "A Code of Ethics for Journalism Nonprofits", *New Yorker* magazine, accessed on March 8, 2016: <http://www.newyorker.com/news/news-desk/a-code-of-ethics-for-journalism-nonprofits>

<sup>25</sup> Knight Foundation, "Gaining Ground: How Nonprofit News Ventures Seek Sustainability", 2015: 23 [http://features.knightfoundation.org/nonprofitnews-2015/pdfs/KF\\_nonprofitnews2015.pdf](http://features.knightfoundation.org/nonprofitnews-2015/pdfs/KF_nonprofitnews2015.pdf)

<sup>26</sup> David Folkenflik, "A Nonprofit Panacea for Newspapers?" Second story in a series about the future of newspapers. Accessed on 04-03-2016: <http://www.npr.org/templates/story/story.php?storyId=100310863>

can do." Mwesige further says that "a lot of journalism wouldn't have happened if someone hadn't paid for it."<sup>27</sup>

Mwesige is not alone. Samuel Gummah, the executive director of URN, advocates a fund that provides "a kind of shock absorber that would free all these commercial media to let loose the professional talent to do the things that they would love to do."<sup>28</sup>

Daniel Kalinaki, a former managing editor of Uganda's largest independent daily, *Daily Monitor*, concurs, adding that "donors need to support journalism and support media houses that are doing journalism. If anything, they need to insulate journalism from business, and by insulating it from business they will be insulating it from politicians as well."<sup>29</sup>

Acknowledging the proliferation of non-profit approaches to journalism, a Columbia University report<sup>30</sup> highlights the US-based Knight Foundation's three major studies about non-profit news outlets since 2011.

The most recent study, *Gaining Ground: How Non-profit News Ventures Seek Sustainability*, was published in 2015 and analyses 20 US organisations, most of them beneficiaries of Knight Foundation funding, to identify "emerging best practice".<sup>31</sup> The study concludes that "non-profit news organizations offer the potential to become part of the bedrock of a strong local news and information ecosystem".<sup>32</sup>

While non-profit media outfits exist in many countries, the United States with its long tradition of philanthropy is home to some of the most prominent, including *ProPublica* and *National Public Radio* (NPR), to mention just two.

Paul Steiger, who was previously managing editor of *The Wall Street Journal* and is now editor-in-chief of *ProPublica*, says of his time at the former that even when his role was not to generate advertising revenue or figure out how much to charge for the paper, "you certainly had to think about that, particularly in the last five years, as the walls...kept squeezing in tighter and tighter".<sup>33</sup>

On the other hand, as editor-in-chief of *ProPublica*, which is bankrolled by philanthropist couple Herbert and Marion Sandler, Steiger says he doesn't have to think about advertising or circulation. Shielded from commercial pressure, Steiger is able to focus on journalism, as he says:

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<sup>27</sup> Interview with Peter G. Mwesige.

<sup>28</sup> Richard M. Kavuma, "Country Case Study: Uganda. Support to Media where Media Freedoms and Rights are Constrained," London, BBC Media Action, 2012:17.

<sup>29</sup> *Ibid.*, 18.

<sup>30</sup> J.J. Robinson, Kristen Grennan and Anya Schiffrin, "Publishing for Peanuts: Innovation and the Journalism Start-up," Columbia University School of International and Public Affairs, Open Society Foundation's Programme for Independent Journalism, 2015: 56.

<sup>31</sup> *Ibid.*

<sup>32</sup> Knight Foundation, 23.

<sup>33</sup> David Folkenflik, "A Non-Profit Panacea for Newspapers?"

What we want to do is shine a light on abuses of power and failure to uphold the public interest - and make that light hot enough and persistent enough so that positive steps are taken by the public to change.<sup>34</sup>

The support system that allows *ProPublica* to do journalism without worrying about profit is a yearly grant of \$10million. With this sum, *ProPublica* has set up a newsroom that attracted not only *The Wall Street Journal* boss but several other talented journalists from *The Los Angeles Times* and *The Washington Post*, including Pulitzer winners.<sup>35</sup>

*ProPublica* doesn't charge fees for its news stories, which have appeared on the covers of prestigious publications and websites of *The New York Times* and *The Los Angeles Times*, among others.

In some distinct ways *ProPublica* and NPR resemble URN. Relieved of the profit burden by a Uganda Shillings 1.8 billion (£380,0000)<sup>36</sup> grant every year, URN is able to hire some of the country's best journalists and supply quality news at a premium to its clientele of 85 radio stations and a couple of newspapers.

The absence of an effective public broadcaster has created a vacuum that URN has attempted to fill.<sup>37</sup> In a report on public radio in Uganda, Lugalambi (2010) wrote that "the role of a public broadcaster as a vehicle through which objective information and diverse perspectives are transmitted into the public domain cannot be overstated".<sup>38</sup>

Public broadcasting is even more critical in Uganda because, as the report states, the programming of private or commercial radio stations is dominated by entertainment, and they tend to avoid public affairs content to protect their owners' political and business interests.<sup>39</sup>

They allocate considerably few hours to news and public affairs content compared to the time they devote to entertainment...Many proprietors of commercial broadcasting stations do not look favourably upon programming that is likely to undermine their ability to make profit. It is only those with very strong financial backing that take the risks of engaging in politically sensitive public affairs programming.<sup>40</sup>

According to David Ouma Balikowa, the URN chairman, in circumstances where the public broadcasting model is not effective, "non-profit journalism fills that gap because it supplies

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<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

<sup>36</sup> Interview with Barbara Musoke-Ntambi, DGF official.

<sup>37</sup> Despite its huge potential, Uganda Broadcasting Corporation (UBC) lacks adequate resources to effectively function as such and is controlled by the government which brings into question its journalistic independence.

<sup>38</sup> George Lugalambi, et al. "On Air: Uganda": vii.

<sup>39</sup> Ibid., 47.

<sup>40</sup> Ibid., 47.

news to all tiers; public media, commercial media, community media, etc; cuts through dichotomies and supports all..."<sup>41</sup>

As the URN executive director, Samuel Gummah observes<sup>42</sup>, unlike in Uganda, public broadcasting in the United States and Europe, more so in the Nordic countries, is shielded from government interference, notwithstanding the fact that this model is facing disruption thanks to the emergence of the internet.

In fact, in addition to non-interference by their governments, the support system for both public and privately owned news media in western countries is quite robust with subsidies playing an important part, as Cage (2016) points out:

In most European countries, newspapers benefit from a reduced value-added tax (VAT). Although it is widely believed that UK newspapers are not subsidised by the government, they in fact pay zero VAT, which amounts to an effective subsidy of 838 million Euros.<sup>43</sup>

Conversely, there is hardly any support system in place for Ugandan media, with independent media left to their own devices in this hostile political and economic environment. This context makes donor-support for an institution such as URN a rational media development approach.

In terms reminiscent of Uganda, a World Bank report says "media development is likely to be most needed in semi or non-permissive environments, which present obstacles such as state hostility to media reform, institutional roadblocks, lack of capacity, a poor economic environment and corruption."<sup>44</sup>

A BBC Media Action Case Study report concludes that "the structure of the political economy of the media in Uganda requires donors to take a more institutional approach, putting strong media houses at the heart of media development initiatives to improve democratic accountability".<sup>45</sup>

Generally, non-profits can fund their journalism through grants, philanthropy, subscription or membership, crowd-funding, pay walls, mobile applications, e-books and training, among others.<sup>46</sup> However, each of these support systems comes with its own challenges, perhaps the most significant being sustainability.

Indeed, lest one gets carried away, a Global Investigative Journalism Network (GIJN) article captures some of the challenges non-profit models face.

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<sup>41</sup> Interview with David Ouma Balikowa, chairman of URN.

<sup>42</sup> Interview with Samuel Gummah, executive director of URN.

<sup>43</sup> Julia Cage, "Saving the Media": 70-71.

<sup>44</sup> Shanthi Kalathil, "Developing Independent Media": 31.

<sup>45</sup> Richard M. Kavuma, "Country Case Study": 3.

<sup>46</sup> David E. Kaplan, "Global Investigative Journalism Strategies for Support". Accessed on 27-04-2016: <http://www.gijn.org/resources/sustainability/>

Problem solved? Well, no. Nonprofits still have to make payroll, so they have to bring in more money than they spend. Unless they have a single patron, this means they have to fund-raise every bit as energetically as commercial news organizations in the pre-Internet era had to sell advertising. The fund-raising is actually trickier. Of the major foundations, only one, the Knight Foundation, of Miami, has journalism as a primary mission. Many other potential supporters of non-profit journalism see it as a means to an end (usually, bringing public attention to whatever issue is their main focus), not as an independent social good.<sup>47</sup>

According to Kaplan (2013), non-profits have to fundraise for more than half their budgets, citing the Bosnian Centre for Investigative Reporting, which benefited from a three-year \$1.8 million grant from USAID in 2004, and the Philippines Centre, which won a Ford Foundation endowment that provides 30 percent of its annual budget.<sup>48</sup>

Such dependence on external funding raises sustainability challenges as it is feared that the donors could lose interest at some stage or be forced to cut back on their grants for some reason. With some donors interested in short term goals, a long-term strategy becomes absolutely essential.

Relying on foreign donors, as URN does, is even more precarious as "pressure on Western governments to pare budgets may affect international assistance, for example, while poor yields on foundation investment portfolios can rein in private giving".<sup>49</sup>

According to Kevin Davis, executive director of the Investigative News Network, an association of more than 100 non-profit media groups based in North America, "while the growth in non-profit newsrooms globally is an exciting development, the lack of sustainable funding means that many of these organizations will be forced to close once initial money runs out".<sup>50</sup>

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<sup>47</sup> David E. Kaplan, "Global Investigative Journalism."

<sup>48</sup> Ibid.

<sup>49</sup> Ibid.

<sup>50</sup> Ibid.

### 3. FINDINGS AND DISCUSSION

*We're looking for an alternative model but we haven't found it*<sup>51</sup>

This study set out to establish whether a non-profit journalism model such as URN could offer a viable and sustainable alternative to market-driven journalism in Uganda. To address this research question, I examined the strengths and weaknesses associated with the URN approach through a qualitative research technique in the form of semi-structured interviews.

#### **Methodology**

Choosing a qualitative research technique was driven by my desire to obtain depth, detail and generally rich data based on human experience as qualitative research techniques are known to generate. To get interviewees to share their experiences and insights, I opted for semi-structured interviews.

Interviewing has been described as "a valuable assessment tool because it allows the participant to share their experiences, attitudes, and beliefs in their own words." The use of direct quotations, a major characteristic of qualitative research findings, is seen as helping "the researcher to present an accurate depiction of what is being evaluated."<sup>52</sup>

I conducted 15 semi-structured interviews with key media personalities. Apart from two of these, which I conducted through e-mail, the rest were face-to-face interviews. I divided the interviewees into five categories: URN bosses; former and current URN employees; the funders, Democratic Governance Facility (DGF); subscribers of URN content; and media experts. Some interviewees have been named while others have had their names withheld depending on my discretion. Together, the 15 interviewees are not only a representative sample of Uganda's media industry but also a collection of some of its finest.

To aid the coding and interpretation process, I divided the results into two broad categories:

1- A favourable view of URN

2- A critical view of URN

It was evident from the findings that URN is highly regarded by the media fraternity in Uganda. All the interviewees agreed that the news agency was an exemplary case study of a non-profit journalism organisation taking advantage of its being independent from market dynamics to champion quality journalism.

However, notwithstanding this overwhelmingly favourable view, all interviewees expressed scepticism in the model's sustainability and thus long term future. Others pointed to

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<sup>51</sup> Interview with Samuel Gummah.

<sup>52</sup>UC San Diego Student Affairs Assessment Methods. Accessed on 11-03-2016:  
[http://vcsa.ucsd.edu/\\_files/assessment/Assessment-Methods.pdf](http://vcsa.ucsd.edu/_files/assessment/Assessment-Methods.pdf)

negative albeit unintended consequences such as the over-dependence by some radio stations on URN content.

### **A favourable view**

#### *'Low-cost news is good news'*

Most of the interviewees agreed that in URN, the 85 subscribing radio stations find affordable and reliable news that they would otherwise have been incapable of generating on their own due to financial and other constraints.

Citing research that suggests radio content is made up of 65-85% entertainment or music, Samuel Gummah, the URN executive director, said the two main barriers to radio playing its public service duty in Uganda are the lack of adequate broadcasting skills among journalists, and the high cost of news production.

To illustrate his point, Gummah observed that "to produce one news story costs more than one [music] CD of 35 minutes on radio." The average radio station is therefore more likely to prioritise music CDs over news gathering not only because the former is cheaper but also because the radio owners believe it's their best selling point.

Barbara Musoke-Ntambi, the DGF programme officer for media development and public debate, who has visited all the 85 radio stations, spoke of appalling conditions and very low capacity with many 'newsrooms' relying on one employee who works as a reporter, editor and news reader.

"You find a radio with a reporter who is also the editor, newsreader, all three in one," she said, adding that faced with such dire constraints many radio stations get their news from the day's newspapers.

Commenting further on the plight of radio in Uganda, Wilson Akiiki Kaija, a URN editor and trainer who previously worked as programme director at a radio station, predicted that "many radio stations will be dead in 10 years" unless there are mergers.

It doesn't help that most of the radio stations are owned by politicians and businesspeople who are reluctant to invest more in journalism because it's costly and could jeopardise even the little business prospects available. In this turbulent broadcasting media environment, URN's' low-cost news is certainly good news.

To illustrate how price-sensitive the radios can be with regard to news, one interviewee told me that when the URN management decided in 2013 to charge a monthly fee of Shs 200,000 (£42) per month for content as a step toward making the model self-financing, 50 out of the 85 subscribers immediately suspended subscription. The numbers rose again slowly, but not convincingly enough, until URN slashed the fee by half in 2015. However, this dramatic reduction has not resulted in substantially more subscribers as URN expected. This reality is as much about the radios' poor financial standing as the owners' lack of interest in journalism.

Nevertheless URN steps in to fill the gap left by the radio stations' unwillingness or inability to invest in good journalism. Backed by donor funding, URN is able to subsidise its content for subscribers.

As David Ouma Balikowa, the URN chairman put it, "even commercial media are able to benefit because they get low-cost news", making URN "the cheapest way of getting news from across the country without necessarily hiring reporters or opening bureaux in the countryside."

### *'Finally you feel like a journalist'*

All current and former staff of URN that I interviewed have at one time worked for profit-driven media. All of them said they felt freer, bolder and more independent working for the news agency.

To drive the point home, Barbara Among, the URN editor-in-chief, painted a bleak view of journalism at two previous work places, both daily newspapers, while comparing them with URN where she now works.

"You had to do journalism with your pay-cheque in mind. That is what the boss drummed in my mind. It became a joke in the newsroom, a fellow journalist could even ask, how much are you bringing in today? In management meetings you're being told how your decisions as editorial are affecting our sales. You are always blamed. You are no longer just an editor, you are not thinking about the news, you are thinking how marketable is this story; will it increase our sales? At URN you don't hear about that, you don't hear about advertisers or circulation; you are only concerned about the quality of the story. Finally you feel like a journalist and not a trinity of editor, circulation manager and advertising manager."<sup>53</sup>

A former staff member, Charles Odongtho, concurred, at least on the bit regarding URN, saying: "I enjoyed working there because you are allowed space to express yourself without anyone watching over your shoulder."

Indeed many interviewees said that journalists at URN tend to be bolder than their colleagues in for-profit news media, especially radio, because, as one put it, "their bread is not tied to advertising". Several interviewees claimed that in many market-driven media companies good journalism is impeded by the fear that a particular news story might generate conflict between the company and the advertising client.

One interviewee spoke of sales staff within media organisations, afraid to lose their clients, debriefing editors about news stories being worked on even before the concerned reporter has returned from the field.

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<sup>53</sup> Interview with Barbara Among.

Said the interviewee: "When you have advertisers debriefing your editor before you arrive from the field, where does that leave journalism? It's more scary than government agents intimidating you."

But editors could be bypassed too such as one who told me he went home after working on his daily newspaper's cover page only to return the next day and find the lead story had been inexplicably replaced. Apparently one of the media company's directors had ordered the change late in the night and this interviewee suspects business interests were at stake.

On the contrary, as many interviewees testified, URN is insulated from the direct influence of advertising clients. This freedom, noted Rachel Mugarura-Mutana, who previously worked at URN as news editor, has created space for "content of a certain quality to be developed and to meet the demand," especially in radio news coverage.

More so, said URN chairman Ouma Balikowa, the journalists who work in this space are more likely to identify issues which they think are relevant and developmental, whereas for-profit media on the other hand tend to be more reactive, focusing on issues that they think are popular and will drive circulation and advertising business.

Interviewees also revealed that in addition to the free working environment, URN journalists are likely to be more motivated than their counterparts in other media companies, especially those in radio, because they earn relatively higher salaries. It's not surprising therefore that more established media houses have lost key staff to the news agency over time. Low wages is a serious problem in Uganda and is often cited to explain the low standards of journalism.

### *'Almost too good to be true'*

Because of their perceived independence, reliable and affordable content, Ouma Balikowa pointed out that URN is the only news organisation in Uganda whose content is used across all tiers of the media, including radios and newspapers, despite the rivalry that exists among news media in the country. This, of course, notwithstanding the fact that apart from their online platform, they don't have an outlet of their own and are therefore not in direct competition with other news media.

Richard M. Kavuma, editor of *The Observer*, one of the newspapers using URN content, described it as "almost too good to be true". He said media ownership determines the quality of journalism. To him, "people who are not after profits are most suitable to run news media."

This view was supported by another interviewee who argued that URN is able to do good journalism not only because of its non-profit approach but also because it was founded by journalists.

URN is bolder and more independent than radios, not only that it is not disturbed by advertisers but that it was started by media practitioners themselves other than radio stations which are started by politicians, businessmen, religious sects, etc with purposes of promoting their ideologies, businesses, etc. I think journalism will be of

higher quality if the media in Uganda is not after profit considerations which has commercialized the profession.<sup>54</sup>

As Kavuma argues, the motive of media owners is critical. Media owners who are not obsessed with money per se are more likely to invest in quality journalism than their money-minded counterparts. As one interviewee said, "for a profit news media [organisation], you have to think of where your bread is coming from....and you can't depend on copy sales alone." This, of course, is euphemism for self-censorship and lack of independence.

At URN, most interviewees believe, that is not the case. "What we don't have is pressure from advertisers saying that story is going to jeopardise our relationship, drop it," said editor and trainer Wilson Akiiki Kaija. He added that because radio stations are mostly small enterprises with advertising as their only source of revenue, they are almost incapable of resisting pressure from major advertisers.

"One phone call to a radio station to withdraw one advert on which the radio station depends to cover its overheads and the radio will fall into line," Kaija said.

#### *'Floods in Gulu on a radio in Kabale'*

The majority of the 300 radio stations were established to serve specific communities or regions within Uganda. Because they lack the resources to have reporters in other regions, they tend to concentrate on localised news. However with URN, such radios are able to get news with a more national outlook.

"One radio station in one corner of the country can access news from another corner with ease, so you get a story about floods in Gulu (northern Uganda) on a radio in Kabale, in the south-west," said former news editor Mugarura-Mutana.

Besides, with its 14 regional bureaux, no radio station has a network that is wider than URN's. In a country where road infrastructure is not well developed, public transport is not reliable and internet connectivity is still limited, gathering news in some of Uganda's remotest areas is not only cumbersome but expensive. Moreover, most of these places tend to be the poorest, so they are marginalised in many ways, including news coverage.

But unlike other media who often have to weigh the economic viability of certain editorial assignments, URN can afford a relatively wide coverage. This not only brings in voices that would otherwise have been unheard, it also enables these people to get news from areas far away from theirs, thus enhancing national integration. As Ouma Balikowa said, "only a non-profit media house with nationwide infrastructure can ensure that all the news from remote and poor areas is brought to the fore."

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<sup>54</sup>E-mail interview with a radio subscriber.

Not surprisingly, most of the URN content users interviewed mentioned the wide network as the main reason for subscribing. URN literally takes them to places they wouldn't go on their own because they lack the requisite human and financial resources.

"They have a wide network so we used them to cover areas where we had no correspondents," said an interviewee whose newspaper was a client until recently.

*The Observer's* Kavuma agreed, saying that URN has come in handy whenever his newspaper has had to cover events in areas where they have no reporters of their own.

Referring to a particular editorial assignment, he said: "I would have loved to send our own journalist but I couldn't, but URN could. But it wasn't able to do so because it makes much money but because someone who is not in it for the money has funded it."

In addition to its wide network, many interviewees said URN's status has enabled the news agency to cover the often neglected development news.

"Development issues are seen as boring or news organisations are reluctant to invest in making them interesting," said Ouma Balikowa, adding, "the URN news focus which targets stories affecting ordinary people tends to go beyond the ordinary advertiser as it's not reactive or narrow in focus unlike profit motivated media."

#### ***'One newsroom supporting many others'***

In doing what it does for other media at low-cost, URN operates almost as though it were a public broadcaster. In fact, one interviewee described it as "an improved model on the public broadcaster." Dr Peter G. Mwesige, executive director of the African Centre for Media Excellence (ACME), said "URN plays a complimenting role to [state owned] Uganda Broadcasting Corporation (UBC)," adding that "they have more of the qualities that the state broadcaster should have".

URN chairman Ouma Balikowa added: "In the absence of a public oriented broadcasting regime, only a funded institution can afford to do what URN does because it's not viable if subjected to commercial principles."

Essentially what URN does, described by Wilson Akiiki Kaija as "one newsroom supporting many others", is to fill a gap in quality yet affordable broadcasting journalism.

However, acknowledging and even praising URN didn't stop many interviewees from expressing misgivings about its over-dependence on donor funding and concerns about its long term survival, on top of other weaknesses associated with the model.

#### **A critical view**

##### ***'It's like being beholden to a single advertiser'***

Most interviewees expressed concern that URN's over-dependence on donor funding is not healthy. URN relies on one funder, DGF, to cover at least 90% of its operational costs,

including staff salaries. Former news editor Mugarura-Mutana likened the situation to "being beholden to a single advertiser except that this advertiser is benevolent."

Yet there is no guarantee that this 'benevolent advertiser' will always be benevolent. This exerts pressure on the news agency to "keep the donor happy", which is "never easy," as former URN staff member Charles Odongtho<sup>55</sup> put it.

Even if the funders were to remain benevolent as the case has been at URN for 11 years, there are other factors they don't control, such as political changes in their home countries, which might trigger a re-alignment of priorities. Changes in the relationship with the Uganda government, which has had a love-hate relationship with the donor community, could also affect the status quo, Odongtho said.

"It's a precarious model," another interviewee concluded.

### *'Question is, how far can it go?'*

Given its over-dependence on external funding, it's not surprising that many interviewees questioned the sustainability of the URN model. Even the funders and managers agreed on the unpredictability of the status quo.

Below are some of the terse responses I got:

*"It's absolutely not sustainable"* -- a former manager.

*"In short our model is not sustainable"* --DGF representative.

*"I don't believe relying on donations is sustainable"* --a former staff member.

*"How far can it go? I don't think this thing is sustainable"* --a subscriber.

Samuel Gummah, the URN executive director, explained that the issue of sustainability should be understood at two levels. He said:

First, is it possible to produce good quality material continuously over time? Secondly, in the absence of a grant, how would this institution and infrastructure survive? Would it survive on its own through, say, commercialisation? What would commercialisation take away from the model? Also, can we inspire radios to produce good quality journalism and survive on it so that good radio is a norm rather than an exception? In truth, we haven't got the answers.

Gummah's answer to his own questions above sums up the dilemma facing URN. Ouma Balikowa, the URN chairman, described the issue of sustainability as "the biggest challenge" facing the news agency.

As it is now, the future of URN is in the hands of DGF, whose representative admitted that the model "is not sustainable" even as she expressed hope that the funding might continue.

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<sup>55</sup> Interview with Charles Odongtho, former URN staff currently working with another DGF funded media project 'Our Parliament' produced by WizArts Media.

Barbara Musoke-Ntambi, the DGF media official, argued that someone has got to pay for independent journalism, wondering however whether this should continue to be the European taxpayer.

*'We're looking for an alternative model'*

URN was originally a short term intervention to improve the quality of content on radio stations so as to enable them play a constructive role in public discourse. However, its relative success has seen the funder stay on longer as the founders struggle to turn it into a self-sustaining model. One could therefore say that URN has become a victim of its own success.

Gummah, the executive director, explained that the idea was to bring radio stations together to provide affordable broadcasting content. This wasn't achieved basically because of the different interests and capacities of the radio stations. That is what forced the founders to seek grants to fund their idea.

"Ninety-two percent of our budget is met by proposals and grants from non-profit institutions interested in democracy, good governance and accountability, which is a shame if you ask me," Gummah said. "We had to do it to demonstrate our values as we wait for a better model. We're now looking for an alternative model but we haven't found it."

Musoke-Ntambi, the DGF official, explained that the project was initially planned to last three years but this was later extended periodically. The current grant will expire in 2017. It is not certain what will happen thereafter. That uncertainty, said Peter G. Mwesige, the ACME executive director, is detrimental to URN's planning and sense of direction.

*'Many reporters were laid off'*

In addition to over-dependence on external funding and sustainability concerns, many interviewees, including subscribers and staff members, reported that some radio stations have downsized their newsrooms because URN content fills the gap while saving them money.

"Some radio stations have become entirely dependent on URN," Mwesige said. "URN is making some radios stop recruiting journalists and instead depend fully on its content," added Kaija, who further explained that radio stations were finding it cheaper to pay Shs 100,000 for URN content per month compared to the average Shs 400,000 that a journalist working there earns per month.

The law of unintended consequences appears to be at work here, suggesting that URN's affordable news and quality journalism might be coming at the expense of some jobs.

One of the content users I interviewed had this to say about this:

When URN started in 2005, many reporters, including upcountry stringers, were laid off. However, as time went by, management realized the news department could not

solely depend on URN. Thus a few reporters were recruited back in the department. Previously the news department had more than 20 reporters, including Kampala and upcountry. But today we have a team of 12 people. Out of these we have seven reporters, the rest are news anchors. There is always a need for more reporters, but due to cost-cutting through subscribing to URN, it has not been possible to convince management to recruit more reporters.<sup>56</sup>

Besides, some users said URN content deprived them of exclusivity and breaking news as all subscribers receive the same content at the same time, while newspaper users in particular are worse off as they have to wait to run the content the next day.

"If a story breaks at 8am, all the radios have used it all day, so as a newspaper using it the following day wouldn't be serious," said one interviewee whose newspaper is a subscriber. This interviewee also complained that at times the same correspondents supply the same news stories to both URN and his newspaper.

A few other subscribers said URN was slow in breaking news or posting their stories online considering that radio is a real-time medium. At least one accused them of lacklustre news coverage on weekends while another said some news stories lack audios or have audios but not in the preferred language. A newspaper subscriber spoke of URN news stories lacking in analysis.

## **Discussion**

From the findings, URN's is clearly an admirable approach. However, there's apprehension that the model is too dependent on a single source of funding and therefore not sustainable. This, in addition to the law of unintended consequences and content users' complaints indicates that the model is not a panacea.

As many interviewees pointed out, it's not certain what would happen if the donor pulled out. This lack of certainty constrains the news agency's long term planning. It could also scare away good journalists who fear for their job security.

On the other hand, one could argue, as some interviewees did, that the sustainability issue is overrated. Indeed no single media model can claim to guarantee sustainability, more so in the digital age. In recent years, some news media organisations operating under what are perceived to be sustainable models have been forced to close down completely or keep only online editions in the case of newspapers. Even the globally admired BBC model has come under considerable scrutiny amid fears it might cease to exist as we know it.

For eleven years URN has been in operation and no media start-up is guaranteed that long regardless of whether it is for-profit or non-profit. Besides, some interviewees, like Peter G. Mwesige, argued that there is nothing inherently wrong with a media house like URN

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<sup>56</sup> E-mail interview with radio subscriber.

continuing to get support from a funder such as DGF for as long as it is feasible and in public interest. He said:

I have a fundamental problem with discussing donor funding as an indicator of no sustainability; what is wrong with saying we're going to continue running this as non-profit? If DGF runs out of money or interest, we can go to another donor. If it's a fact, it is significant, it matters, what is wrong with Bill Gates funding it? What is wrong with donor funding if the case for it has enduring appeal for those who fund it?

Mwesige was backed by Ouma Balikowa who added that Ugandan society must entertain the conversation as to how to sustain organisations that work in the public interest even if it means getting money from the national treasury.

Amid the failing traditional media models, the question of media funding is indeed the elephant in the room, and is at the centre of this study. Charles Onyango-Obbo, a Ugandan journalist, recently stated in his newspaper column that press freedom might be no more if there is no one to fund it.

But because of the massive disruptions happening to the media industry, we are getting to a point where there will soon be no press freedom, if someone cannot pay for it. Not with charity money. But private capital, which forces media managers to be creative and build profitable businesses that pay for the journalism.<sup>57</sup>

Mwesige and Ouma Balikowa might not agree on why charity or even the treasury should not be options too, if need be, but they all agree that someone has got to pay for the desired journalism.

Such funding can be seen in two ways; full support as in the URN case, or partial support. While the URN arrangement is ideal as it offers adequate insulation from advertising and other pressures, it is considered unsustainable.

Some interviewees would prefer a hybrid arrangement whereby interested organisations can support specific projects championed by either non-profit or for-profit media. However, the disadvantage of this 'hybrid' strategy is that it doesn't guarantee the long term survival of the media entity being supported. Also, although the funder may not go as far as dictate how the issues must be covered, they often choose the issues to be supported, thus raising independence concerns.

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<sup>57</sup> Charles Onyango-Obbo, "Small can be beautiful: The happy lessons some African journalists are learning," *The Daily Monitor*, 30-03-2016. Retrieved on 28-06-2016: <http://www.monitor.co.ug/OpEd/OpEdColumnists/CharlesOnyangoObbo/Beautiful-happy-lessons-African-journalists/-/878504/3138342/-/bw48xpz/-/index.html>

For interviewees who favour URN-type support, the hybrid raises sustainability issues of its own. "The industry is not about to go away. You are looking for a model that will help media live longer, not a short term fix," said Barbara Among, the URN editor-in-chief.

She added: "Such funding is not sustainable, its lifespan is very short; it depends on partners, not you. They choose, actually dictate, what they are interested in. The media industry needs support for the long term."

Samuel Gummah agreed, saying the "hybrid model doesn't provide core funding but specific goals, it's more short term".

To mitigate their over-dependence on external support, URN has initiated several projects; paid subscription by content users and commercial production of programmes about causes such as HIV/AIDS. The news agency also undertakes training for radio journalists either at their workplaces or at URN offices. Commendable as these efforts are, what they bring in is far below what URN needs to operate, which means the donor remains indispensable at this point.

As the findings show, in the absence of an effective public broadcaster, and until a better model has emerged, URN continues to provide a good framework within which quality and affordable news is accessed by cash-strapped news channels operating in a difficult socio-political and economic environment. Uncertainty over its long term future is however a major concern.

#### 4. CONCLUSION

In this study I set out to investigate whether non-profit journalism models, particularly URN, provide an effective bulwark against the challenges associated with market-driven journalism in Uganda's hostile socio-economic and political landscape. The study further sought to establish whether URN can be considered a viable and sustainable journalism model that can be replicated.

The unfolding collapse of traditional media models has given rise to outside-the-box innovations as the industry bids to not only survive but also safeguard journalism, and this has partly inspired the proliferation of non-profit outfits. While the US leads the way, non-profit organisations are becoming popular across the world.<sup>58</sup>

Uganda's URN, founded in 2005, is credited for providing affordable and quality news to 85 radio stations and a couple of newspapers. The news agency is also recognised for raising the standard of journalism with its independence from advertising pressure and motivated journalists, as well as functioning as a de facto public broadcaster.<sup>59</sup>

URN's non-profit status has enabled it to stand out from the Ugandan media scene described in Chapter One where market-driven journalism impinges on the quality of media content.

However, over-dependence on a single external funder, DGF, has exposed the model as fragile and unsustainable. With the current grant due to lapse in 2017, albeit the possibility of renewal, and URN unsure of what to do next, the model's precariousness has been laid bare.

Nevertheless URN's sustainability should be understood within its proper context. To its funders the news agency is not a journalism model but rather part of a media development programme seeking to promote good governance and accountability in Uganda. It is therefore difficult to replicate.

According to a World Bank report on media development, "a successful media development programme should not remain donor-funded any longer than necessary." The report, however, acknowledges that "a comprehensive programme can take several years to realise its goals," adding that many donor funding cycles do not extend beyond two to three years.<sup>60</sup>

URN funders initially committed themselves to a three-year programme but the project's relative success has seen DGF continually renew their grants, totalling 12 years in 2017 when the current cycle ends.

Besides, sustainability concerns are not unique to URN. Financial sustainability remains the main challenge affecting non-profits globally. Non-profits which depend on deep-pocket foundations and trusts or harness adequate revenue from subscriptions, crowd-funding or philanthropy are more likely to be secure. Experts advise diversification of the donor-base to reduce potentially crippling over-dependence.

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<sup>58</sup> David E. Kaplan, "Global Investigative Journalism."

<sup>59</sup> Uganda Broadcasting Corporation (UBC).

<sup>60</sup> Shanthi Kalathil, 78.

One of URN's strategic objectives is to become a stable and sustainable media organisation. According to an evaluation report commissioned by DGF, the news agency was in 2014 aiming "to achieve income from at least three different organisations each year (grants, or contracts/partnerships)" so as to raise 60% of their funding internally in the medium term.<sup>61</sup> This is in addition to its current additional but minimal revenue sources -subscription and journalism training.

The URN case study underlines the journalism funding discourse. Many media analysts now agree that good journalism is not enough; it still has to be funded. Good journalism is very expensive. Without a support system that is different from profit-making, it is at risk.

Such a support system is even more critical in poor pseudo democracies where "financial sustainability is extremely difficult for many media outlets, as is editorial independence from government, the private sector, and other powerful interests."<sup>62</sup>

Because news is a public good, such a support system should not preclude public funding as long as it is non-partisan and not self-interested. Over the long term, domestic philanthropy should be encouraged and cultivated. Non-profits are an important option although not necessarily a panacea, partly because of sustainability concerns.

URN has successfully demonstrated that journalism is better served when the market is bypassed, but the jury is still out on how long their approach can last.

The not-for-profit model "probably isn't the cure for what ails the news business", as *ProPublica's* Paul Steiger puts it, but "it might just be a much bigger part of what's next."<sup>63</sup>

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<sup>61</sup> DGF, "Evaluation of DGF": 48.

<sup>62</sup> Shanthi Kalathil: 2.

<sup>63</sup> David Folkenflik, "A Non-Profit Journalism Panacea?"

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