

## Promoting the Culture Sector through Job Creation and Small Enterprise Development in SADC Countries: The Music Industry

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### Annex 3 - Country cases

#### *Zambia*

Zambia boasts a wealth of musical assets. Music is mainstreamed throughout everyday life, and informal musical education and appreciation permeates Zambian society, from church choirs to dance and culture groups in Zambian public schools, and regular live performances in motels and hotels throughout the country.

During the 1980s, the only two private recording studio and record labels in Zambia (Teal Records and Malachite Records) folded because of the severe economic crisis in the country. The only recording opportunity became the national broadcaster's 1-track studio, which emerging artists had to resort to.

Since the late 1990s, several studios and labels have opened their doors in Lusaka, one of which even boasts a 24-track studio, affording musicians alternative opportunities to record and distribute their music. Two factors have greatly enhanced the ability of musically inspired entrepreneurs: the deregulation of the broadcasting system and the liberalization of the economy.

The recording industry, whilst exhibiting significant advances, is still in its infancy. This is evidenced, in terms of the lack of specialization of actors. For example, Zambia's Digital Network Solutions and Mondo Music both have their own recording studios, both undertake the production process and have to circulate their repertoire themselves to retail outlets or other delivery mechanisms.

Zambia hosts a number of international and regional development organizations. The use of cultural activities to support developmental issues, such as the HIV/AIDS awareness tapes distribution to truck drivers, offers an avenue for further sustaining the music industry.

Piracy is still a factor hindering the growth of the industry, although the role of the Association of Zambian Musicians in lobbying for the passing of copyright protection legislation and its resulting impact on protecting – albeit in limited terms – the recording industry has been important. Sound Investments is the market leader in the music retail sub-sector, although most music products are retailed through supermarkets, petrol stations, shops and informal vendors.

## **Proposed areas of interventions for Zambia:**

### **Targeted skills training**

Because of the lack of specialization of the industry, specialist technical and music business skills are not adequately available. Such skills include in particular sound engineering, artist management, music marketing and events management. Further, a number of artists who were interviewed for the research deplored their lack of music literacy, which limits their ability to engage with the production process on a more informed basis. Existing training institutions could be co-opted and upgraded to offer training into such skills targets, to actors involved in the industry.

### **Stamping out piracy**

Music piracy is rife in the country and contributes to limiting returns on investments made by all actors in the recording industry. One possible way to address this problem would be to place greater effort on policing informal vendors who distribute pirated products. Co-opting such actors by facilitating their access to the distribution of legal products, would be an area that would require attention. The distribution of pirated Zambian music products outside of the country's boundaries was also cited by interviewees as problematic, and would require bilateral intervention between Zambian actors and their regional counterparts. This is an area of intervention in which all actors in the recording industry have a stake, and which, therefore, requires cooperation and coordination between recording industry actors.

### **Market research**

Mechanisms to monitor audience reception and to encourage investment towards production, circulation and distribution are almost non-existent. Market research is, however, a critical source of information for all actors in the industry, as it would enable them to better manage investment decisions. It would be particularly critical for such actors to have access to information about the income and demographic profile of consumers of music products, and to target marketing strategies to enhance access to markets.

## *Zimbabwe*

Zimbabwe has a rich musical tradition and appreciation of traditional music genres – such as Mbira (thumb piano) music – is not only wide within the country, but stretches as far as the United States and Asia. Music education opportunities, although often limited to musical appreciation education exist, and a high number of bands and groups have been able to record and distribute their music through established Zimbabwean recording labels.

In Zimbabwe, record sales of 100 000 units per album were never heard of until the early 1990s, when significant investment was made to enhance production, circulation and distribution by the Harare-based major record labels Gramma Records and the Zimbabwe Music Corporation.

Smaller recording labels exist both in Harare and Bulawayo, but their production and circulation capacity is fairly limited.

Express Toll is the only specialist music retail outlet in the country and is only present in Bulawayo and Harare. Distribution of music product is primarily driven through the informal market, and actively supported by record labels. Broadcasters play a significant role in supporting emerging talent and promoting local content. Other delivery mechanisms such as live performance are fairly undeveloped, as live music venues are not readily equipped with quality PA systems, which limit livelihood opportunities for artists. The Harare International Festival of the Arts has been an important music event. Foreign exchange regulations mean that access to music instruments, recording and public address equipment is literally impossible for most actors. Similarly, inflation has considerably decreased affordability levels, thereby reducing unit sales and, in turn, the financial viability of the recording industry. This situation is aggravated by the fact that whereas most industrial equipment is treated as capital goods, music equipment is treated as a luxury good and carries a 25% import tax at the time of writing this report.

## **Areas for intervention**

### **Developing regional markets**

Because of the high level of economic strain affecting the local context, actors are already examining ways in which to limit their dependency on the national market by seeking export opportunities of music products and live performances contracts outside of Zimbabwe. Whilst this risks precipitating further the attrition of the local market, it also offers a number of opportunities.

For example, Zimbabwe's production facilities could be utilized by record labels or distributors operating in the region whose access to production facilities in their country of origin is limited.

This concept would require quite an extensive marketing drive of Zimbabwean actors who, in coordination with other industry actors in the region, could co-host a series of industry infrastructure and network marketing processes.

### **Supporting access to the tools of the trade**

Access to finance for purchasing and importing basic music equipment is currently lacking in Zimbabwe at the time of writing this report. However, given the recording infrastructure and dedicated body of musicians, enhancing access to the tools of the trade would contribute to at least maintaining the existing musical assets base. This would aim to stem the loss of productive capital, currently emanating from the inability of industry actors to import music equipment. Specific support measures may include considering rating musical instruments as capital goods exempt from the luxury import tax, developing micro-lending arrangements for musicians and live venues, and supporting musical equipment rental and sharing facilities.