

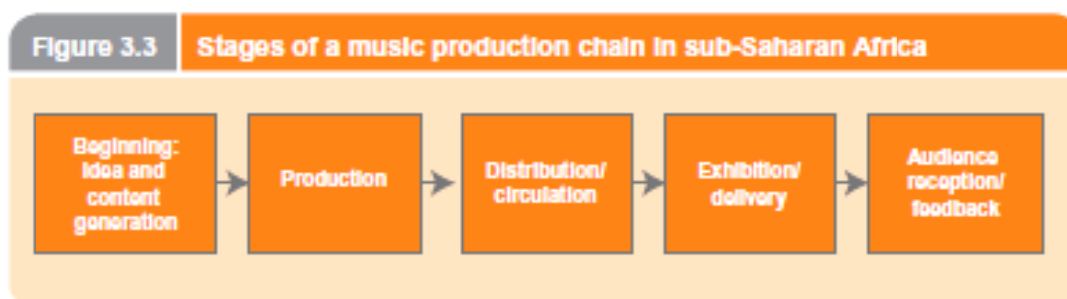
# CREATIVE ECONOMY REPORT 2010

## Creative Economy: a Feasible Development Option

### UNDP - UNCTAD

#### 3.6 An application of production-chain analysis: The music industry in sub-Saharan Africa

An overview of the music industry in sub-Saharan Africa, organized according to production chain analysis, is summarized in figure 3.3.



Details of the stages of this production chain in the African context are as follows:

##### **Beginning: Idea and content generation**

- Rich musical traditions, including Congolese rumba, Zaïroise Moderne, Afropop, gospel.
- New sounds now emerging from rapidly urbanized youth e.g., Kwaito (South Africa), Bongo Flava (United Republic of Tanzania).
- Political leadership important when music is used to support national identity, e.g., Democratic Republic of the Congo, United Republic of Tanzania.

##### **Production**

- Three main centres for music production: East Africa (Kenya, United Republic of Tanzania); West Africa (Ivory Coast, Mali, Nigeria, Senegal); Southern Africa (South Africa, Zimbabwe).
- Growth of recording industries reflects different colonial ties (English: weak; French: strong).
- Independent studios and labels set up by entrepreneurs and artists (Ivory Coast, Senegal, South Africa, Zimbabwe).

- Self-producing artists and State broadcasters (Mozambique, South Africa, United Republic of Tanzania, Zambia).
- Increasingly, artists are recording in other African countries (Kenya, South Africa) rather than travelling to Europe.

### **Distribution/circulation**

- Most African music distributed locally, but a few artists have broken into International markets via distributors outside Africa (France, Germany, United Kingdom).
- Major record companies now active only in South Africa. Circulation limited by lack of reciprocal licensing and distribution deals between record companies in different territories.
- New trend of independents entering into contracts with major labels to produce music products under licence.

### **Exhibition/delivery**

- Deregulation of broadcasting in Democratic Republic of the Congo, Malawi, United Republic of Tanzania has boosted demand for local music.
- Specialist music retail outlets exist in francophone Africa; other countries have music in supermarkets (e.g., Burkina Faso, Namibia), clothing stores (e.g., Zimbabwe), petrol stations (e.g., Senegal, Zambia).
- Informal retail networks exist where distributors sell to informal vendors (hawkers, small retail outlets); pirated material delivered via informal networks.
- Internet distribution is embryonic.

### **Audience reception/feedback**

- Some music awards (e.g., Kora Awards, South African Music Awards, Zambian Ngoma Awards) to recognize local artists and music production.
- Awards are controversial, with criticism by musicians that record companies influence outcomes.
- Music journalism mostly about artists and performances, little on industry or development issues.

The financial aspects of this production chain in African music exemplify some of the problems and prospects of creative industries in a regional context. The beginning of the production chain in African creative industries represents a rich and vital heritage, but this is not where the money is made. The realization of value from the creative content of Africa is often in the hands of foreign distributors such that income leaves the countries where the content is created and produced. The artist makes money from sound-carrier sales by receiving a royalty on each sale; composers and authors (who can also be artists) receive

royalties from the various uses made of their compositions such as mechanical royalties from recordings or performance royalties from live performance or broadcasting. In Africa, however, because the artists expect to receive little or no royalty from record sales partly owing to piracy and partly to the inadequate collection of copyrights, they negotiate a bigger share of an up-front payment that essentially signs away their rights to the music. Combined with this career-limiting decision is the poor understanding of the music business, which results in there being few professional producers or managers.

To overcome these constraints, it is important for all stakeholders in the value chain to work together if the music industry in Africa is going to be successful. As Seligman argues, "The challenge is working with local producers, local labels and local artists in Africa to try to establish a structure in which everyone, from record companies to artists, composers and authors receive due payment without stifling this enormously dynamic and very creative scene."