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innovative business models aimed at good practice**

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# Managing for sustainable journalism under authoritarianism: innovative business models aimed at good practice<sup>1</sup>

By Naomi Sakr

## ABSTRACT

In the repressive political climate prevailing in Egypt in 2013-15, news ventures aspiring to high standards of reporting were forced to innovate in their business models and management techniques in order to underpin ethical journalistic practice that served the public need for information. This chapter explores the interactions between media business innovation and sustainable journalism by analyzing how a number of Egyptian start-ups experimented with novel revenue streams and news services during that period. In the process it compares different criteria for assessing sustainability and concludes that, under political repression, narrow economic measures of media profitability and survival may give a misleading picture as to the sustainability of the kind of journalism conducive to democratic practice. Operating collaboratively, transparently and ethically may slow productivity and profitability in the short term while laying stronger foundations for durable relations among media teams, as well as with readers and advertisers, in the long run.

Governments in Egypt have a long history of stifling fair and probing journalism. Ever since the country's first president, Gamal Abdel-Nasser, nationalized the press in 1960, methods of media suppression have included legislation, intimidation and such market distortions as manipulating advertising spend and maintaining government monopolies over printing and distribution. Towards the end of Hosni Mubarak's 30-year presidency, journalists complained that the long-standing practice of silencing or penalizing independent reporting meant that any truthful coverage was instantly regarded as political opposition to the regime, simply because the truth itself was 'very, very ugly' (quoted in Sakr, 2013, p. 25). Yet, in the aftermath of Mubarak's ouster in 2011 and the army's removal of his Muslim Brotherhood successor, Mohammed Morsi, in 2013, the clampdown on journalists became ever more draconian. After taking over as president in 2014, former military chief Abdel-Fatah al-Sisi insisted the Egyptian media were engaged in a battle for national security; in August 2015, after attacks on the army in Sinai, he imposed harsh penalties for any reporting that conflicted with government statements. In December 2015, the Committee to Project Journalists reported that Egypt had 23 journalists in prison, the second highest figure

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worldwide and the highest number for Egypt since CPJ started keeping records in 1990. As the jailings and detentions without trial increased, Reporters Without Borders ranked Egypt 159<sup>th</sup> out of 180 countries in its 2016 Press Freedom Index, down 32 places since the end of the Mubarak era.

How can the sustainability of news media be assessed in circumstances such as those prevailing in Egypt and in many other authoritarian countries at the bottom of media freedom rankings in 2106? Egypt's proliferation of privately owned television channels and newspapers may give the impression of an active media sector, but many outlets merely act as proxies for competing state security and intelligence agencies, which manipulate information and opinion behind the scenes. Identifying and defining something that could be called sustainable journalism in such a politically harsh environment is important but also difficult because, as will be shown, precedents are lacking for the medium- to long-term survival of Egyptian initiatives aimed at independent reporting in the public interest. With that in mind, this chapter explores dimensions of sustainability that look beyond the mere survival of a particular venture. By exploring instead management approaches to embedding certain values of independent journalism, such as editorial autonomy and professional self-esteem, in circumstances where the government restricts recourse to support from civil society or foreign donors, the chapter considers the sustainability of what are effectively social innovations in the realm of journalism. It compares approaches to sustainability adopted by three pioneering Egyptian ventures in independent journalism, drawing on interviews conducted with key personnel by the author and the press. It starts by setting out arguments for including management values and audience engagement alongside revenue models as part of a multidimensional assessment of sustainability, and then explores each of these dimensions in action at three Egyptian media projects. The aim is to consider whether the concepts of sustainability and survival can be used interchangeably in this context or whether assessments of sustainable journalism in authoritarian settings call for a more multi-dimensional understanding of sustainability as it connects with development. The next section sets the scene for this by noting that justice, accountability and inclusivity have been incorporated into the UN's Sustainable Development Goals (SDGs).

### **SDGs and 'fundamental freedoms'**

Awareness of how sustainability and development are interrelated has come a long way since the Brundtland report, *Our Common Future*, in 1987. With the 2015 launch of the UN's 15-year programme of Sustainable Development Goals, targets for patterns of production and consumption were envisaged that are intended to be sustainable not only in relation to the earth's natural resource base but also in terms of meeting equitable objectives for human

wellbeing in present and future generations. Unlike the 2000-2015 Millennium Development Goals, which preceded the SDGs, the latter contain, for the first time, an explicit reference to protecting 'fundamental freedoms'. Thus SDG 16 aims to 'promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels'. The same goal's tenth target aims to ensure 'public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements'. In this way, according to a UNESCO official, 'fundamental freedoms' have been formally recognized as an 'organic' part of sustainable development, with the safety of journalists, trade unions and human rights defenders proposed as one of two indicators designed to assess progress in this area and the other indicator monitoring guarantees for public access to information (Berger, 2016).

If fundamental freedoms are recognized as intrinsic to sustainability, it follows that measures of media sustainability should also take them into account, which adds a fresh dimension to questions about business models and the balance between revenues and content creation costs. When the European Media Management Association presented sustainability as the theme of its 2015 conference, it clarified that achieving this goal "typically hinges on an organization's capabilities to master new modes and methods of content production, distribution, and financing" (<http://www.media-management.eu>). The clarification left some ambiguity as to whether the focus of sustainability analysis should be the individual organization itself or the "modes and methods" that may emerge outside it. Since international development discourse now sees the notion of sustainability being applied normatively as well as analytically, in the sense that 'accountable and inclusive institutions' and practices aiming at 'justice for all' are targeted under the SDGs, the task of assessing media sustainability should arguably today involve looking beyond the mere survival of particular organizations to the future prospects of particular "modes and methods" that may outlive them.

Modes and methods in the digital news industry are multifarious. As Mark Deuze notes, "top-down hierarchical" corporate bodies exist next to "peer-driven forms of collaborative ownership", and "a mix of 'one-size-fits-all' content made for largely invisible mass audiences next to (and infused by) rich forms of transmedia storytelling which can include elements of user control and 'prosumer'-type agency" (Deuze, 2008, p. 860). The implication is that scrutiny of collaborative and innovative practice may ultimately tell us more about the sustainability of journalism in a precarious and rapidly changing environment than a focus on any specific institution. Indeed, Jane Singer phrases questions about journalism's adaptability as an occupation in more or less these terms. "What sorts of collaborations will prove valuable", she asks, "and how will they be nurtured, strengthened, and extended?"

What cultural and economic structures will emerge to sustain journalism – and what will happen to our democratic society if they do not?” (Singer, 2011, p. 109).

To take these questions on board is not to shift the analytical focus away from individual media outlets altogether. On the contrary: since these outlets, whatever their lifespan, potentially contribute to wider cultural and economic structures, an assessment of whether they are managed for sustainability calls for a set of qualitative criteria beyond the quantifiable measure of the outlet’s own survival or profitability. In Egypt, where independent journalism was obviously alternative to the mainstream in 2014-16, the managerial frameworks supporting it may also be deemed alternative, and thus expected to exhibit a reflexive development dynamic of their own. Atton and Hamilton (2008, p. 9) note that alternative journalism at any given moment does not involve a particular mode of organization but “depends entirely on what it is responding to”. To “adequately grasp alternative journalism in all its complexity”, they write, one must understand it not only in “relation to today’s conception of the alternative as simply the opposite of the mainstream, but also in relation to its own complex development, which calls into question the viability of such a conceptual map” (Atton & Hamilton, 2008, p. 10).

### **In search of qualitative criteria**

Even though accounting practices nowadays are capable of quantifying social and environmental concerns alongside financial costs, existing studies of media businesses have tended to adopt a narrow definition of sustainability that is limited to financial profitability and longevity. For example, Cook and Sirkkunen, examining the business models of 69 online-only journalistic start-ups in ten countries in 2011-12, specify that they understand sustainability as “relating to commercial profitability” (2013, p. 64). In order to be included in their study a start-up had to demonstrate that it was “sustainable”, which meant in practice that it had been “profitable for several years” (Cook & Sirkkunen, 2013, p. 66). Where non-profits were included in the study, the criteria for inclusion were “versatile and viable funding sources” and “longevity” (*Ibid*). Similarly, Nee, researching net-native non-profit news sites, set out to discover how respondents planned to “sustain their news outlets” differently from traditional media (Nee, 2013, p. 9). Nee gives the heading “Economic sustainability” to her findings for that research question, seeing them as primarily about “raising funds and diversifying revenue sources” (*Ibid*, p. 14).

If, inspired by these studies, one were to adopt narrow, quantitative, economic criteria of sustainability in the case of Egyptian news start-ups, problems would instantly arise around an assumed dichotomy between “profitable” and “not-for-profit”. International studies of online news services show that they have “generally not been able to grow into profitable

stand-alone activities” (Leurdijk, 2014, p. 143). The genres most at risk of failing to make profit in the fast-changing online world include “investigative journalism, background stories and public affairs reporting” (Ibid, p. 156). An alternative option for such genres is to fund them through voluntary donations or sponsorship (Ibid: 154). Yet such a model of donor funding for avowedly non-profit news could be lethal in the Egyptian context. That is because Egyptian law is inimical not only to free speech, as shown by the jailing of journalists, but also to freedom of association. Trade union formation remains tightly restricted (Sakr, 2013, pp. 74-75), while non-governmental organizations (NGOs), already obliged by law to register with, and report to, a government ministry, faced even harsher controls under Sisi’s presidency. NGOs have long been prohibited from engaging in any activity the government deems political and from receiving unauthorized funding from abroad (Ibid, p. 83). As a result, many bodies working to promote fundamental freedoms and human rights chose to register as for-profit companies or law firms rather than non-profit associations. With new legislation threatening not only to close off this option, but also to outlaw any unauthorized cooperation with, or membership of, international bodies (Human Rights Watch 2014), the potential for emulating non-profit funding models based on donations or sponsorship was practically non-existent.

Where managers walk a fine line between permitted and prohibited operational models, a commitment to good practice may take priority over the survival of a particular project. Several journalists at *Mada Masr*, an online news site created in 2013, worked previously at an English-language weekly called *Egypt Independent*. While there, and faced with censorship of their second printed issue by their own management in late 2011, they jointly wrote a commitment to “stand against racism, sexism, xenophobia, religious discrimination, fascism and state violence”, saying: “We try to give voice to groups whose rights are violated and avoid reinforcing stereotypes” (*Egypt Independent* 2011). The “we” of this statement acknowledged both collective responsibility and a particular obligation of media management to “promote social values such as social interaction, engagement, democratic participation, collective knowledge and cultural identities” (Küng, 2008, pp. 10-11). *Egypt Independent* did not survive (Sakr, 2015, p. 162). But the values articulated by its staff, many of whom had previously worked at other non-surviving publications,<sup>1</sup> were part of a vision for ethical management of Egyptian media that outlived the newspaper. Ethical coverage has to be woven into media management frameworks because it is hard for journalists to act according to their own consciences if editors and owners do not share the same ethical codes (Phillips, 2014, p. 127).

A sense of collective responsibility is potentially as much concerned with the nature of the collective as with what its members are collectively responsible for. In the precarious

contemporary conditions of journalistic employment (Deuze, 2008, p. 861), definitions of sustainability may be directly linked to collective staff involvement in key decisions. Wolff (2012) distinguishes between, on one hand, a form of worker self-directed enterprise (WSDE) and, on the other, enterprises that are worker-owned, worker-managed or collectives. The defining characteristic of the WSDE is that all the workers who “produce the surplus generated inside the enterprise function collectively to appropriate and distribute it”; they “collectively determine what the enterprise produces, the appropriate technology, the location of production and related matters” (Wolff 2012: 118). If news content, use of technology and other matters are decided democratically among those who produce the surplus and the ancillary workers who enable that production, as in a WSDE, the interaction between external pressures, job security and ethical practice is managed for sustainability by those whose jobs and incomes are directly affected (Wolff, 2012, p. 132).

At the same time, the sustainability of any news media project depends on the loyalty of its audience. A 2011 Knight Foundation report concluded that, even for non-profit ventures receiving generous foundational support, “good journalism alone is not enough”. As part of supplementing the support that will run out in time, emerging news organizations need a “sophisticated understanding of who they want to reach”, backed by the technological capacity to engage and interact with readers (Knight Foundation, 2011). Some Egyptian observers even see a need for audiences to be proactive in supporting independent journalism. This was the implication of Egyptian media scholar Rasha Abdulla’s comment (2014, p. 28) that, in the absence of a national political will for media reform in Egypt, “dissident voices inside the media will need significant backup from civil society and their audiences to make progress”. It is an ongoing ambition of independent Egyptian media outlets to engage people in sufficient numbers to deter the government from seeking to penalize them. Audience backup in that context makes engagement more than a matter of “encouraging readers to ‘like’ us on Facebook or click the retweet button” (Carvin, 2013). Today, according to Jake Batsell (2015, p. 43), the “engaged journalist’s role is not only to inform but to bring readers directly into the conversation through digitally powered techniques”. Readers opting to join the conversation will presumably do so for their own perceived benefit, not to ensure the economic survival of a news project.

The remainder of this chapter takes a qualitative approach to assessing what makes independent journalism sustainable at three innovative Egyptian media projects. It looks in order at models for diversifying revenue, management values in relation to governance and staffing, and ways of engaging media users in a sustained relationship.

## **Revenue streams and business models**

None of the three ventures examined here (identified in Table 1) existed before Egypt's 2011 uprising, and each is clearly differentiated from the other in terms of content and target audience. *Sahafet Welad ElBalad*<sup>2</sup> produces news for local communities outside Cairo, in print, on YouTube and via SMS, from 10 branch offices around the country, including Marsa Matruh in the northwest and Luxor in the south. It started in September 2011 as a pilot project and opened officially as a media company in April 2012. *Mantiqti*,<sup>3</sup> a hyperlocal freesheet serving Downtown Cairo, first appeared in the spring of 2013 and became established as a monthly in 2014. *Mada Masr*,<sup>4</sup> a news website in English and Arabic, started life in June 2013, at a time of intense national polarization ahead of Morsi's removal as president, with the aim, as stated in the "About Us" page of its website, of "providing objective and professional journalism that constantly challenges and presents all sides of the story". Mada staff see their strengths not in breaking news or trying to be comprehensive but in "making an effort to figure out how to cover issues in a way that will encourage a deeper understanding of what's happening' in Egypt" (Evans, 2014).

**Table 1. Three news ventures at a glance**

Name	<b>Mada Masr</b>	<b>Mantiqti</b>	<b>Welad Elbalad</b>
Business	News analysis website	Hyperlocal freesheet	Network of local news providers
Founder	Lina Atallah	Tarek Atia	Fatima Farag
Revenue sources	Advertising, subscription products, events, services (translation, research, editing)	Advertising, sponsorship, services (training, consulting, design, copywriting)	Advertising, cover price, services (training)

Each of the three was born with a stated intent to diversify revenue sources and cross-subsidize within a business that extends beyond the primary news outlet. Finding private investors is not easy in Egypt, where an insistence on quick returns is not favorable to the timescale for building up a media brand. Nor was it immediately feasible, as two incidents in 2015 can illustrate. One concerns a prominent businessman, Salah Diab. His assets were frozen, ostensibly on charges of appropriating state land, after which his apartment was raided and he was arrested in full media glare, accused of possessing unlicensed weapons. Diab, chief executive of Egyptian oil and construction group, PICO, is the grandson of a respected journalist (Guaaybess, 2015, p. 171) and backer of the national daily *Al-Masry Al-Youm*, known for its occasionally outspoken coverage. Diab had attended discussions in Washington in 2014 about channeling finance to innovative independent media in Egypt. In another incident, a satellite channel owned by private businessman close to the Sisi government devoted two talkshows to attacking Welad Elbalad by name. Statements



contained in the programmes accused Welad Elbalad of being an agent of foreign powers and called on security forces to take action against it (WAN-IFRA, 2015a). With local investment and foreign grants thus more or less off limits, independent media ventures' dominant preoccupation is to achieve self-reliance through diversification.

*Mada Masr* general manager Amira Salah-Ahmed hopes a “diversified [revenue] model can keep us sustainable” (Solovieva, 2014), while editor-in-chief Lina Attala sets out the diversified model as combining “traditional income generating activities”, like advertising and paid online content, with other “less traditional” sources and a fund of 50-100 investors, none of whom would have a dominating share (Hagmann, 2013). “Less traditional sources” include money brought in by *Mada Masr* staff members, whose services are sought in translation, research and editing. They also include fund-raising events and subscriptions for a *Morning Digest* of the Egyptian media that *Mada Masr* distributes to foreign journalists, embassies and others. Two of the project's six-member commercial team work in editorial, including general manager Salah-Ahmed, who believes there can be “synergies” between editorial and commercial activity (Author's interview, Cairo, 26 February, 2015). When *Mada Masr* organizes events to raise revenue — as in the April 2015 Mada Marketplace Event that offered a day-long opportunity to sample novel Egyptian products and services in fashion, food, arts, crafts, music and books — the aim, according to Salah-Ahmed (*Ibid*), is to ensure that the event itself and the advertising it generates “have meaning for *Mada* as a journalism brand”.

At Welad Elbalad, advertising income is supplemented by a modest cover price<sup>5</sup> for the printed newspapers along with income from training contracts awarded to Welad Elbalad Media Services. Advertising may seem like a thoroughly “traditional” element of a diversified revenue model. In Egypt, however, tensions between traditional advertising sales and independent journalism are acute. Fatemah Farag, founder and chief executive officer of Welad Elbalad, says she was determined to avoid the “bad practices” affecting advertising in local media, where the “relationship of advertising to media is very opaque and highly corrupt” (Author's interview, Cairo, 24 February, 2015). Questionable practices include omitting to identify advertisements as such and doing underhand deals that ignore the rate card and give undeclared benefits to the seller. Competition for advertising is meanwhile complicated by local papers that have licenses to publish monthly but only come onto the market ahead of elections when there is political advertising; according to Farag (*Ibid*), once the election money runs out, they stop.

Farag wanted the advertising element of her organization's business model to be “based on the same principles as editorial”, which includes building an internal consensus around a

stated policy. For that reason her organization refused to take advertising for the first year and a half, until many other things, including staffing and journalism skills, had been put in place. Once advertising sales started, a concern for sustainability limited the rate at which they would grow. Besides the challenge posed by Egypt's poor economic situation after the 2011 uprising, Welad Elbalad sales staff also had to convince clients to advertise in a type of independent local media they had never seen before. This meant offering "very modest rates" but, at the same time, sticking to a unified rate card and making it clear to clients that "everything we take money for is going to be clearly set up as an advertisement" (Farag, author's interview). Welad Elbalad's nine local news channels on YouTube bring in advertising revenue.

*Mantiqti* is part of the Egypt Media Development Programme (EMDP), founded in 2011 by Tarek Atia. Atia uses the term "boot strap operation" to characterize the way "every penny that comes in goes back into the company. You stretch your budgets to the limit. You hire people and you take massive risk" (Author's interview, Cairo, 24 February, 2015). Besides advertising income, the money that "comes in" is payment to EMPD for training and consulting services. Meanwhile *Mantiqti*, as a local freesheet venture, is nothing without local advertising and sponsorship. Atia sees advertising eventually running on a dual local and national track. His team had planned to scale up their business to have a freesheet under the *Mantiqti* brand not only in the original Downtown area (*Mantiqti Wust el-Balad*<sup>6</sup>) but two other areas of the capital, Zamalek and New Cairo, so that they deal both with local advertisers targeting each specific community and with national advertisers wanting to reach all three (Atia, author's interview, Cairo, 24 February, 2015). When advertisers resisted and government interventions reduced footfall in the Downtown area, Atia incorporated Downtown and Zamalek in a single edition, and achieved national exposure by providing one to two pages of branded editorial to *Al-Masry Al-Youm* (Atia, author's interview, Helsinki, 3 May, 2016).

Like Welad Elbalad, *Mantiqti* started by pitching its local advertising rates low enough to attract small businesses with limited budgets. But this policy has implications for costs. Modest advertising rates require a "lot of energy" (Farag, author's interview) to be put into achieving the volume of advertising revenue needed not only to pay for technical aspects of production but also to fund fair conditions for staff. In a country where start-ups are notorious for delaying or neglecting payment of salaries or relying on volunteers, the three projects discussed here are all adamant that this is not how they work. *Mada Masr* in 2015 had more than 30 full-time staff in addition to a freelance budget for each of their journalism sections (Economy, Environment, Culture, Lifestyle and so on), and its founders "feel

strongly” that they have to pay people, not least because they themselves, having worked for failed start-ups, are “sick of writing for free” (Salah-Ahmed, author’s interview).

Welad Elbalad pays more than 100 people on its payroll out of its limited funds, seeing this as an integral part of building what its own publicity calls “independent, non-partisan, ethical and proficient media”. Farag believes a “big part of the problem with the profession is that people are not recognized as professionals who should be paid for work they are doing”. She says: “we don’t do what other people do, I mean skimp on the costs of the product; we invest a lot in training people, in having decent offices for them, having good working conditions, equipment, internet and so on” (Author’s interview) .

*Mantiqti* is meanwhile part of an operation that grew from three people to 25 full and part-time staff on the payroll in a very short time. The need to bring in revenues equal to the soaring monthly spend creates a situation that “becomes very tense” (Atia, author’s interview, 2015). The first round of investment in *Mantiqti* and its digital sister publication, *Zahma*, an Arabic news aggregator and collection website, was achieved in 2013 by bringing in what Atia calls “angels”. These were friends and family, “people who trusted what I was trying to do and believed in it”, who became minority owners (Atia, author’s interview, 2015). The hope with the second round of expansion at *Mantiqti*, in 2015, was that by scaling up, not only would advertising increase but unit costs would go down. Buttressed by contracts for design and copywriting work for corporations, EMDP as a whole planned to break even in 2016 and become profitable again in 2017, as it was in 2012.

Farag set out a similar formula for Welad Elbalad as follows:

We are set up as a limited liability, for-profit company. So we do not take grants but we do have partnerships through which we take funds to secure certain contracts and that constitutes the majority of our income at this time (Author’s interview).

Earlier in the life of Welad Elbalad, Farag acknowledged support (Farag 2014: 78) from two international sources, Open Society Foundations and Denmark’s International Media Support (IMS). But she had a big caveat, to the effect that even if support from these partners “meant that we could survive for longer, we don’t want to go down that road. We firmly believe that independent journalism requires its own stable and satisfactory income” (Farag 2014: 79).

*Mada Masr* has also had help from IMS and the Rosa Luxemburg Foundation (Chang 2015), a political education institution affiliated to Germany’s democratic socialist Left Party. In 2013 it applied to the New York-registered Media Development Investment Fund (MDIF), which

provides low-cost financing to independent news media in countries with a history of media oppression, but that application was turned down. According to Salah-Ahmed, it was made “way too early”. “They support projects that are at Stage Two”, she said. “You have to establish a model that is working and then they help you to scale up. They encouraged us to reapply” (Author’s interview 2015).

### **Management frameworks**

Income sources for each of the three publications have implications for reporting lines and governance. The more self-reliant a venture aims to be, the more it depends on a sense of shared responsibility among staff. Such a sense is a dimension of sustainability that seems as critical as finance, because it is the commitment of individuals to find ways of working productively together that will determine whether the project lasts in the form in which it was originally conceived. In an enterprise that is truly directed by its workers, only those who produce the surplus are members of the board of directors (Wolff, 2012, p. 118). As one account of *Mada*’s early days puts it, “collective ownership was at the heart” of its “egalitarian identity”; the name itself was agreed jointly among 24 people whose average age was 25 and a consensus emerged around giving employees an equal number of shares (Chang, 2015). Some months later, Attalah was looking for what she reportedly called a “more traditional way of management”, but that was because, in her view, an enterprise devoted to democratic principles has to function productively to be anything at all (Chang, 2015).

For members of *Mada* staff in early 2015, the sense of collective and of being “part of a minority community” (Author’s interview with Passant Rabie, Cairo, 22 February, 2015) remained strong. It went in parallel with an acute awareness of operating in uncharted territory, since they were first-timers in running a media project, which one person “cannot do alone”, and which they could not do “by the book” (Salah-Ahmed, author’s interview). Salah-Ahmed described this awareness as follows:

Collectivity is a concept we build on; it came with us from *Egypt Independent*. There is a dynamic here. Sometimes we succeed and sometimes we fail. There is no guide of how to do this, no set way of [achieving] collective media ownership or management. It’s hard to find the right balance and it’s a steep learning curve. ... We can’t always be 32 people sitting down to take decisions. Sometimes it’s better to make people responsible for different projects and let them face the challenges (Author’s interview).

In the end, she noted, even if everyone is assigned their own area of focus, these areas overlap, so that decisions have to be mutual because many people are affected. Team members are so open about their “steep learning curve” that the *Mada* website carries transcripts of staff meetings held at the end of 2013 and 2014, the aim being to open their journalism practice up to critique and “invi[t] further conversations” (*Mada Masr*, 2013). In January 2016, when *Mada* writers again reviewed their output and challenges over the previous year, one highlighted the benefits of collaborative working, among which he included a push against self-censorship (*Mada Masr*, 2016). Attalah’s goal was for each reporter to work towards innovative coverage and for the institution to function and survive “independently of its founders” (Chang, 2015).

“A kind of daily experiment” is how Atia of *Mantiqti*, himself a journalist, describes the managerial issues raised by the planned scaling up at EMDP (Author’s interview, Cairo, 24 February, 2015). Atia is CEO, delegates management of its component parts, and has a former Head of Sales for Google in Egypt and North Africa (<http://emdponline.com/our-team>) as a business advisor. However, he believes his own role does not conform to a “typical publisher-editor relationship” because the relationship is “constantly being navigated” and the products are still nascent. Navigation involves conversations between editorial staff and the communities served by *Mantiqti*, since the freesheets’ *raison d’être*, according to the project’s own publicity, includes promoting grassroots improvements by providing the information and communication tools to build a sense of neighborhood identity and community. This purpose calls for staff to be “on the same track in terms of the vision and values” (Atia, author’s interview, 2015). Expanding the brand to other locations will be achieved by the same staff members who worked on the original *Mantiqti*. In Atia’s words, “the people who’ve done this experiment Downtown will be the ones we depend on to take this experiment elsewhere” (Author’s interview).

At Welad Elbalad the goal, if and when the constraints on private media ownership in Egypt are relaxed, is for each of the local news operations across the country eventually to own themselves (Frag, 2014, p. 79). Staff recruitment was therefore a major challenge, as Frag wanted to create teams of people in each locality who did not just meet the stated criteria but “would be able to uphold the project as we saw it” (Frag, author’s interview). Frag brought her previous experience to bear on this task, having created the *Al-Masry al-Youm* English-language offshoot that became *Egypt Independent*, many of whose staff joined *Mada Masr*. She sees Welad Elbalad as decentralized to the extent that the team in each office takes responsibility for editorial ownership and deciding on the important stories for the local community through interaction with the people there. They do this within unified professional guidelines and ethical standards that apply across the organization as a whole,

which are arrived at, according to Farag, through internal consensus. As a result, branch office staff are now in a position to train others around them. Whereas people from the governorates used to come to Cairo for training, or people from Cairo would go to the governorates, now Welad Elbalad teams in the governorates are said to be “becoming experts in their field and have the capacity to confer that training to the community” (Farag, author’s interview).

### **Audience engagement**

Digitally powered techniques are one way of “bringing readers directly into the conversation” (Batsell, 2015, p.43) but not the only way. *Mantiqti*, serving a physical locality in which EMDP’s own office is located, highlights its “biggest value” as a “very large and specific audience at a close proximity” (Toporoff, 2014). Its print run of 10,000 copies (Toporoff 2014; Atia, author’s interview) is distributed by hand to thousands of employees who enter the area each day to work at financial institutions and shop in their lunch breaks, as well as to coffee shops, hair salons and other places where people want something interesting to read while they sit. When the venture started up, the concentration of coffee shops was so high there were no fewer than 34 in three streets alone (CairobyMicrophone, 2013). This lively atmosphere, combined with the fact that parts of the area are pedestrianized, was felt to make the area a “perfect test community” (*Ibid*) for a freesheet that would “actively” try to be part of the “neighborhood’s future” (Toporoff, 2014). Much as *Mada Masr* sees scope for integrating commercial and editorial dimensions of the enterprise, Atia sees *Mantiqti* as offering a platform for local businesses, as both advertisers and readers. The paper seeks to highlight local accomplishments, “focus on issues that affect daily life, and take local government officials to task” (*Ibid*). By offering a showcase for businesses and venues that have not advertised before, and helping them, if requested, with branding, logos and photography (*Ibid*), *Mantiqti*’s producers aim to achieve “serious” ends by “enjoyable” means, in the sense that “people seeing themselves in the paper is a really exciting thing” (Cairo by Microphone, 2013).

Evidence from distribution and interaction with readers indicates that local attitudes to *Mantiqti* have evolved since it was launched in 2013. Atia recalls a degree of suspicion initially, with people asking “why are you focusing so much on this neighborhood, why are we important?” Now, in contrast, the same people put forward the topics — from parking to forced café closures to hidden alleyways — that they want *Mantiqti* to cover. *Mantiqti*’s presence in the neighborhood facilitates that conversation. “They grab me, they grab the reporters, they say ‘we saw this’, ‘why didn’t you cover that?’” (Atia, author’s interview, Cairo, 24 February, 2015). So much discussion of national social and political issues is, according

to Atia, “vague for the public”; he believes politics becomes relevant when tackled at the local level because “people see the benefit” of monitoring local government performance on traffic, street cleaning and so on while also doing things “for themselves” (Cairo by Microphone, 2013).

For local newspapers in the Welad Elbalad network there is a similar story of building trust over time on issues that have little obvious link to national politics. Farag points out that people are “more interested in the school fence that should have been built and hasn’t, the problem with the drainage on agricultural land” and a whole raft of problems related to local administration, education and health (Author’s interview). The SMS service recognizes this, offering information about grain prices alongside local sports news and other items (Farag, 2014, pp. 80-81). Although local teams solicit feedback on Facebook and Twitter, their offices are also physically open for people to bring up local problems and to attend film screenings, art classes and poetry readings. “It’s community media coming full circle” is how Farag describes what happened when the newspaper in Deshna, Upper Egypt, ran an interview with a local farmer on how to produce lettuce, which elicited such a deluge of disagreement from other farmers that the topic ran and ran (Author’s interview). Whereas journalists in the branch offices initially found it difficult to get access to local officials because they lacked official national press accreditation, in time their work in bringing people’s voices and complaints to local government gave the newspapers a level of credibility that forced officials to respond, as happened in Fayyum, Beni Suef and elsewhere (WAN-IFRA, 2015b), as testified by journalists themselves (Eissa, 2014). The fact that each news operation carries the name of its locality — *El-Fayoumia*, *El-Sawayfa*, *Deshna El-Youm* and so on — and editors are aged in their twenties or early thirties (Eissa, 2014) contributes to a form of community journalism that is entirely novel in Egypt. Circulation of local news stories online and offline is backed by a process whereby Welad Elbalad also brings regional university students into the conversation, through a citizen journalism training blog called *Yomaty*, created in partnership with the San Francisco-based company Meedan.

*Mada Masr* founders say they want to get their readers “more connected”, including through offline events, in order to draw them “into a community that will hopefully later support Mada” (Evans, 2014). At the moment the identity of that community is unclear because *Mada Masr* delivers content in Arabic and English to different, albeit overlapping, constituencies. Team members write in their preferred language and pieces are translated. Stories originated in both languages have gained what their authors describe as “traction”, meaning that they were picked up by other Egyptian media and elicited wider responses. One piece, written originally in English and based on interviews with policemen, reported on how they are under-trained and under-equipped to deal with the explosions and shootings they face.

Another about sex workers, conceived and written in Arabic, benefited from a wider readership and greater sense of authenticity than would have been the case if it had appeared in English first (Rabie, author’s interview). The commercial team say that the English version is also read by Egyptians. The difference between the English and Arabic readerships lies in how much the team are able to find out about them, because media market research inside Egypt, like the whole Arab world, is notoriously unreliable. Salah-Ahmed says feedback from Facebook and surveys on the website reveal little about the Arabic readership, because it is broader and “not so niche”. Advertisers are anyway more interested in the English readership, just over half of whom are outside Egypt (Salah-Ahmed, author’s interview).

Reviewing achievements over 2014, the Arabic section editor said: “We have a certain audience who follow us closely, and sometimes we lose them when we fail to cover the issues that interest them” (Mada Masr, 2014). But Attalah believes that, through long form journalism and feature articles that challenge readers and present all sides of the story, *Mada* should avoid submitting to the “reductionism” which is “one of the major flaws in the Egyptian media” (Reventlow, 2013). “We want to reach out and negotiate a space for ourselves”, she has been quoted as saying; “you want to have impact” (Chang, 2015).

This sense of proactively negotiating a space for journalism that serves diverse audiences is common to the discourse of founders of all three projects. Welad Elbalad decided in late 2015 to explore and share the stories of tens of thousands of Arab and African refugees in Egypt; Farag said her teams would be reporting from the ‘perspective of communities who have no space or voice within the mainstream’ (The 19 Million Project, 2015). The process of negotiation brings in the wider issues of what *Mantiqti*’s Atia summarizes as ‘media development, press freedom, professionalism in media production’. ‘I’m definitely not waiting for those [things] to happen’, he told a media analyst in 2015. ‘I am actually part of the process that is making those things happen’ (Abdelhadi 2015). Attalah of *Mada Masr* made a similar point at a World Press Freedom Day gathering in 2016. She said: ‘It is very important for those who are out of jail to push for independent journalism to happen. We should not let paranoia stop us from functioning’ (Atallah 2016).

**Table 2. Summary of sustainability challenges facing the three ventures**

Name	Mada Masr	Mantiqti	Welad Elbalad
Income challenges	Ads and events should be consistent with <i>Mada Masr</i> brand	Persuading small local businesses to advertise for the first time	Embedding (unfamiliar) honest and transparent advertising practices
Cost challenges	Salary implications of building staff’s	Rapidly expanding pay-roll, with hope	Providing essential training, decent offices, good working



	professional status and commitment	that scaling up will reduce unit costs	conditions, adequate equipment and internet access in areas far from capital city
Management challenges	Operating as collective, maintaining internal transparency; encouraging innovative reporting	Maintaining 'vision and values' among growing workforce	Recruiting staff who can 'uphold the project'; maintaining consistent ethical standards across decentralized network
Audience challenges	Drawing readers into a supportive community; absence of reliable market research on readers of Arabic version	Overcoming suspicion from communities unaccustomed to seeing themselves represented in the media	Gaining credibility and building trust through proximity and reflecting local community concerns

Source: Author's summaries based on interviews and data set out above

## Conclusion

If a news venture's sustainability is judged exclusively on the narrow quantitative measure of its own stand-alone profitability, the three news projects examined here face mixed prospects. Economic survival in each case will depend on continued cross-subsidies from within the wider entity of which each is part. If, on the other hand, the notion of sustainability is applied normatively and qualitatively, to probe the cultural and economic structures that may be emerging to sustain the kind of journalism needed in democratic societies (Singer, 2011, p. 109), then these ventures can be said to contribute to the survival of good journalistic and management practice in the face of political obstacles to licensing and registration, distorted advertising markets and state disregard for internationally recognized norms of journalistic professionalism. This highlighting of qualitative criteria is driven by data drawn from brave innovations in a dangerous authoritarian setting, but the examples here show how the process of proactively negotiating new spaces for journalism involves forms of management practice and audience engagement that could potentially contribute to sustainable journalism in other types of political system. At the very least they suggest that discussion of sustainability in relation to media enterprises should extend beyond financial criteria to encompass socio-political and cultural considerations. It should focus on the sustainability of good journalism as much as, if not more than, the sustainability of journalism organizations.

The evidence presented here even demonstrates that, in politically adverse conditions, the financial side of sustainability may correlate negatively with aspects of good practice, at least in the short term. Thus, for example, all three projects want to protect editorial independence from advertisers' influence and both *Mantiqti* and *Welad Elbalad* are keen to keep their advertising space sufficiently low-cost to attract hesitant first-time advertisers. This

approach may promote the longer-term sustainability of advertising revenue for individual outlets and Egyptian media in general, but does not maximize profit in the short term. Similarly, a management culture that values collaborative reflection, ethical practice and editorial innovation, as seen in the search for internal consensus at all three publications, may help to embed lasting professional relationships and codes of conduct while being at odds with productivity as measured purely in stories published. Lastly, as shown by the building of credibility among readers of *Mantiqti* and *Welad Elbalad* newspapers and by Mada Masr's rejection of simplistic or one-sided reporting, readers also have a learning curve. Their rising expectations in terms of quantities and standards of information and analysis will put pressure on editorial budgets ahead of any rise in advertising revenue. But such expectations, being crucial to pushing up journalistic standards, would be a beneficial feature of audience engagement anywhere and can only enhance the sustainability of good journalism, whether in Egypt or beyond, in the long run.

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<sup>1</sup> Examples include *Cairo Times*, which closed in the early 2000s under persistent political pressure from state censors, and *Daily News Egypt*, whose owners sold the title in 2012, under the economic pressures created by a downturn in advertising after the 2011 uprising (Sakr 2013: 18).

<sup>2</sup> *Sahafet* means 'newspapers'. *Welad Elbalad* roughly translates as 'local community'.

<sup>3</sup> *Mantiqti* means 'my neighbourhood'.

<sup>4</sup> *Mada* means 'span' or 'range'. *Masr* means 'Egypt'.

<sup>5</sup> Because the printing house refuses to print the papers with a cover price, citing legal complications, the price is stamped on after printing.

<sup>6</sup> The name *Mantiqti Wust el-Balad* (Mantiqti Downtown) was introduced from Issue 10. The venture started out as *Mantiqti el-Borsa* (referring specifically to the area around the Stock Exchange).