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# Overview Report: Measuring Media Development

Sanjukta Roy

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# Overview Report: Measuring Media Development

## Abstract

**An Interactive Timeline of Media Development** Sankalpa Dashrath

**Research** is a primary component of the Media Map project, and several papers will be published and distributed publicly as part of the effort through 2011 and 2012. They include:

## OVERVIEW PAPERS

**Rethinking Media Development: A Report on The Media Map Project**, Mark Nelson with Tara Susman-Peña *This final report is intended as the beginning of a process of using Media Map research as a platform for action. Your feedback welcome.*

**On Media Development: An Unorthodox Review** (forthcoming) Daniel Kaufmann; Presentation to the Center for International Media Assistance based on this research available [here](#).

**Healthy Media, Vibrant Societies: How Strengthening the Media Can Boost Development in Sub-Saharan Africa** Tara Susman-Peña *A synthesis report examining the policy implications of the relationships between media and economic development in Sub-Saharan Africa.*

**Media Development and Political Stability: An Analysis of Sub-Saharan Africa**, Sanjukta Roy *An econometric study of the relationships between press freedom and access to information, and political stability in Sub-Saharan Africa.*

## COUNTRY CASE STUDIES

Edited by Mary Myers, *Examining the impact of donor support to the media sector over the last two decades, to be released periodically throughout 2012.*

- **Cambodia**, Margarette Roberts
- **Democratic Republic of the Congo**, Marie-Soleil Frère
- **Indonesia**, Manfred Oepen
- **Kenya**, Iginio Gagliardone and Katherine Reed Allen
- **Mali**, Heather Gilberds
- **Peru**, Gabriela Martínez, with **Network Analysis**, Erich Sommerfeldt; **Participatory Photographic Mapping (PPM)**, and **PPM Annex**, Luisa Ryan and Gabriela Martínez
- **Ukraine**, Katerina Tsetsura, with **Network Analysis** Erich Sommerfeldt, Katerina Tsetsura, and Anna Klyueva

**Design for Quantifying Donor Impact on the Media Sector** Sanjukta Roy and Tara Susman-Peña

## MONITORING & EVALUATION AND MEDIA DEVELOPMENT

**Mapping Donor Decision Making on Media Development: An Overview of Current Monitoring and Evaluation Practice** Jason Alcorn, Amy Chen, Emma Gardner, and Hiro Matsumoto, *A Capstone Masters' thesis report at the School of International and Public Affairs, Columbia University; Anya Schiffrin, Faculty Advisor*

## LITERATURE REVIEWS & BACKGROUND MATERIALS

**Review of Literature** Amelia Arsenault and Shawn Powers *A review of the literature that explores the intellectual history of media development*

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**Overview Report: Measuring Media Development** Sanjukta Roy *Explains the quantitative data available that measures media, and how it is incorporated in the Media Map Project*

**Review of Literature on Quantitative Data (matrix)** Sanjukta Roy

**Disciplines**

Communication

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# OVERVIEW REPORT: MEASURING MEDIA DEVELOPMENT



Sanjukta Roy  
March 2011



## ABOUT THE AUTHOR

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## CREDITS

Tara Susman-Pena, Director of Research, The Media Map Project, edited this report.

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*Photo credits: Front cover, left, photo by Joel Carillet; center, photo by Claudia Dewald. Back cover: photo by Claudia Dewald*

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# INTRODUCTION

## 1.1 What is Media Development?

Media in all its forms — print, internet, television, radio and mobile — play an indispensable role in informing the populace and reducing information asymmetry. Media, at its most basic definition a means of mass communication, is a critical institution of advanced societies.<sup>1</sup> The sector is not only important because it has significant interactive impacts on other economic and political institutions of a country, but also because it probably has the largest immediate effect of all institutions on the population at large. The indispensability of media is mostly attributable to its capacity, at least in theory, to circulate critical information to people at every corner of the society and in its ability to ensure the accountability of the players in power (government and businesses).

Media development is the process of improving the media's ability to communicate with the public, and the public's ability to inform itself and to communicate, using media. Media development assistance refers to the initiatives undertaken to improve the ability of the sector to communicate and interact with the populace effectively. This constitutes, but is not limited to activities aimed at both traditional and new media that:

<sup>1</sup> "Institutions are the humanly devised constraints that structure human interaction. They are made up of formal constraints (rules, laws, constitutions), informal constraints (norms of behavior, conventions, and self-imposed codes of conduct), and their enforcement characteristics. Together they define the incentive structure of societies and specifically economies. Institutions and the technology employed determine the transaction and transformation costs that add up to the costs of production." (Douglass North, Lecture to the memory of Alfred Nobel, December 9, 1993)



- Facilitate media's independence from the control of any player in the society – government or private sector
- Strengthen legal and regulatory frameworks for the media sector
- Promote better business, management, and financial practices in the sector
- Ensure a broad reach of information by facilitating appropriate infrastructure, affordability, accessible content, and media literacy
- Improve the reliability and quality of information that media produces
- Strengthen relevant associations, NGOs, and networks



## 1.2 Contextualizing the Media Map Project

The Media Map Project is investigating the relationships between media and development, and analyzing the impact of media development assistance in specific contexts. The project undertakes a three-pronged approach. Part 1, Quantifying Media is an extensive quantitative analysis of macro data, applying econometric and statistical approaches to examine the relationships between media and development. Part 2, Country Case Studies, explores the impact of donor-funded media development interventions on a micro level, in 8 countries. Part 3, Donor Decision-Making, investigates how media development donors assess the impact of their initiatives.

The academic literature, through theoretical models and empirical testing, has validated the role of the media in facilitating good governance and favorable developmental outcomes. However, a large proportion of the above considers freedom of the press as a proxy for a developed media sector. This leaves a huge gap in the literature in terms of exploring the effectiveness of other aspects of a developed media sector, particularly reach and quality. Many academics, as well as donors and development practitioners would agree that a developed media sector is important to economic development. However, despite the acknowledgement in their rhetoric, one does not see media development fully and consciously integrated into the bigger scheme of economic development. The Media Map Project tries to help bridge this gap between rhetoric and action by providing some of the available evidence and to begin clarifying

the specific conditions of media's impact on development to a wider body of development stakeholders.

This paper provides an overview of the quantitative data used in Part 1, Quantifying Media, and in Part 2, Country Case Studies. In our work in Part 1, we have gathered together and made accessible approximately 30 publicly available datasets on the

**The academic literature, through theoretical models and empirical testing, has validated the role of the media in facilitating good governance and favorable developmental outcomes.**

media sector. Our mission is to encourage exploration and analysis of this underused data and well as to use it for our own analysis, which addresses existing gaps in research on the relationships between media and development. The following section describes the landscape of global data measuring the media that is freely available to the public; all of these datasets are available for free download on the Media Map website ([www.MediaMapResource.org](http://www.MediaMapResource.org)).

# QUANTIFYING MEDIA DEVELOPMENT

## 2.1 How is the media sector measured, assessed and quantified?

Several indicators are used to quantify what this paper will refer to as the *health of the media sector*<sup>2</sup> on a macro level. Broadly speaking, these datasets can be characterized as:

### 2.1.a INDEXES BASED ON EXPERT ASSESSMENT

These indexes evaluate the media sector at the country level, taking into account the social, economic, and legal environment that supports or undermines the health of the media sector. Indexes in this category include Freedom House's Freedom of the Press Index, Freedom House's Freedom on the Net Index, Reporters without Borders' World Press Freedom Index, IREX's Media Sustainability Index and fesmedia Africa's African Media Barometer.

Freedom House's Freedom of the Press Index is based on 23 methodology questions divided into three broad categories: the legal environment, the political environment, and the economic environment. The questions aim to capture the "enabling environment" in which the media of a country operates. Freedom House also produces the Freedom on the Net index. This index measures each country's level of internet and digital media freedom. Given the increasing importance of diverse Information and Communications Technologies (ICTs), the index also measures access and openness of other digital means of transmitting information, particularly mobile phones and text messaging services. It uses a set of 21 methodology questions to capture the enabling environment for internet and digital media freedom. Reporters without Borders' World Press Free-

<sup>2</sup> The health of the media sector refers to the extent of its development. A healthy media sector is independent from both government and business, generates quality outputs that reach citizens and engage them to make informed decisions that impact their own lives and the lives of their community.



Photo by Joel Carillet

dom Index is based on a questionnaire with 43 criteria that assesses the state of press freedom in a country. IREX's Media Sustainability Index assesses five objectives in shaping a successful media system: legal and social norms to protect and promote freedom of speech, professional journalism, plurality of news sources, business management, and supporting institutions. The scoring is done by panel of experts within each country. Fesmedia Africa's African Media Barometer describes and measures the media environment in the African continent. This is also an expert assessment.

The above indexes focus on the social, economic and political environment as they relate to the media sector of a country. They are constructed by assigning quantitative numbers to expert qualitative assessments. These numbers therefore are

very different from either actual numbers of economic indicators like number of people living in a city, number of cars produced in a year or estimates like Gross Domestic Product, Foreign Direct Investment Inflow as a share of GDP, etc.

### 2.1.b COMPOSITE INDEXES:

This category of indexes provide a broader analytic perspective on development that incorporates the media sector as an important component. These indexes have several subcomponents and an aggregated score. The subcomponents consist of quantifiable dimensions or scores based on expert assessment. Prime in this category are the [World Bank's Worldwide Governance Indicators](#), the [Global Integrity Index](#), and the [Wealth of Nations Index](#).

**Voice & Accountability captures not only the ability (knowledge and power) of citizens to express their demands but also the ability (capacity and willingness) of the government to respond to these demands.**

The Worldwide Governance Indicators consist of six sub-indicators encompassing different aspects of governance. The WGI is based on four different types of source data, namely commercial business and information providers, surveys of firms and households, non-governmental organizations, and public sector data providers. An Unobserved Components Model (UCM) is used to combine the six components into an aggregate score. The composite measures of governance generated by the UCM are in units of a standard normal distribution. One sub-indicator, Voice & Accountability, incorporates data that measures perceptions of: the extent to which a country's citizens are able to participate in selecting their government, freedom of expression, freedom of association, and a free media. Voice & Accountability captures not only the ability (knowledge and power) of citizens to express their demands but also the ability (capacity and willingness) of the government to respond to these demands.<sup>3</sup>

<sup>3</sup> Because of its broad coverage, we use the aggregate Voice and Accountability indicator in our analysis alongside the disaggregated datasets that constitute it. This is to ensure we capture their joint impact and distinguish it from the impact of each of them individually.

The Global Integrity Index captures the access that citizens and businesses have to a country's government, their ability to monitor its behavior, and their ability to seek redress and advocate for improved governance. The Global Integrity Index is generated by aggregating more than 300 Integrity Indicators systematically gathered for each country covered and is comprised of more than 100,000 peer-reviewed questions and answers scored by in-country experts. The Global Integrity Indicators break down that "access" into a number of categories and questions, ranging from inquiries into electoral practices and media freedom to budget transparency and conflict of interests regulations.

The Wealth of Nations Index is another aggregate index consisting of three subcomponents — Economic Environment, Information Exchange, and Social Environment. Each of the subcomponents consists of a host of underlying quantifiable indicators. Of these, Information Exchange captures some aspects of the strength of a media sector in terms of information aptitude, infrastructure, and distribution. Each of the three legs of the Index contains 21 variables, chosen for both their relevance and consistency over years. Each variable is given equal weightage, based on a desire for simplicity, transparency, and balance among the three legs.

### 2.1.c QUANTITATIVE MEASURES OF MEDIA INFRASTRUCTURE, FUNCTIONALITY, AND GENDER REPRESENTATION

These consist of indicators that quantify actual units of media infrastructure owned by people, proxies of reach and composition, and statistics on gender representation in the media.

The infrastructure data consists of indicators like mobile telephone per 100 people, telephone mainlines per 100 people, TV sets per 100 people, etc. The data is a rough approximation of the reach of different types of media in a nation. The data for this is mostly found in the [World Development Indicators](#) database published by the World Bank.

[UNESCO's Culture and Communications](#) data contain the proxies of reach and composition. It contains variables like the ratio of private to public media institutions, the content breakdown of broadcast (in terms of share of broadcast time for various types of programs) and reach of various types of media.

The [Global Media Monitoring Project](#) conducts extensive global research on gender in news media, and analyzes which news media can be said to be democratic, inclusive, and participatory from a gender perspective. The monitoring is based on both quantitative and qualitative assessments of the content of me-

dia in a country. The 2005 and 2010 reports contain country-level disaggregated data on female and male representation in various aspects of news media.

### 2.1.d DONOR FUNDING OF MEDIA DEVELOPMENT

The data for donor contribution in the media sector is available from three sources — the [OECD/DAC database](#) (which provides information on official development assistance in “Communications Sector” (and is further broken down into Telecommunications, Radio/Print/TV, Communications and Administrative policies), the [AidData](#) database (which has information on multilateral and bilateral aid given for “Communications Development”) and data on USAID investment in Democracy and Governance containing information on total investment in Democracy and Governance programs and the subsectors, namely: Elections and Political Processes, Rule of Law Programs, Civil Society Programs (that includes Free Media Programs), Governance Programs, and other Regional and Sub-Regional Programs.

## 2.2 What are the gaps?

The main challenge for empirical analysis on the media sector lies in the inadequacy or even absence of data. The existing datasets either do not capture many important aspects of a developed media sector or are not estimated for a large enough sample (either number of countries and/or time period) to enable useful analysis.

The health of the media sector rests on three important aspects — independence, reach, and quality (Islam, 2002).<sup>4</sup> To date, Freedom House’s Freedom of the Press Index<sup>5</sup> dominates the literature that quantitatively investigates the impact of media sector on development. Use of the index is widespread because it is the most comprehensive: it spans all countries, and covers 1981 through 2010. However the index has been criticized as having a free market bias, because scoring rewards a commercial media model over other models (Burgess, 2010; UN, 2001). The overuse of the index is also a concern because

<sup>4</sup> Of these, gauging quality is the most difficult and subjective and should vary across countries based on cultural and normative differences. Nonetheless, a basic quantifiable way of measuring quality of media would be very useful in assessing the reliability of the information provided by the media sector.

<sup>5</sup> The index is built on 23 methodology questions divided into three broad categories — legal, political and economic environment. The diverse nature of the methodology questions seeks to encompass the varied ways in which pressure can be placed upon the flow of information and the ability of print, broadcast, and internet-based media to operate freely and without fear of repercussions.



Photo by Joel Carillet

researchers use it as a proxy for a healthy media sector. As argued by Kaufmann and Kraay (2007), any particular indicator is by definition an imperfect proxy of a broader understanding. Hence researchers should be careful about interpreting results based on a specific indicator as sufficiently representative of the whole. In the context of a healthy media sector, while independence is clearly important it is not efficient by itself. A free media would not serve its purpose if it does not reach every section of the population and is not understood and used as critical source of information by majority. The Freedom House Index clearly does not capture the elements of reach and usefulness of the press. The most holistic evaluation of the media sector of a country is done by IREX Media Sustainability Index, via its five components (discussed earlier) but unfortunately the low country and period coverage of the data restricts its usage.

With this in mind, the different data on a media sector of a country, taken together, should ideally measure:

- Independence from undue influence from groups that are trying to promote a particular point of view, whether from the public or private sectors
- Presence of laws and regulations promoting and reinforcing free speech and action and access to information
- Extent of politicization of the sector
- Extent of plurality of news sources
- Quality of media houses’ professionalism and ethics
- Quality and reliability of the information provided by the media
- Composition of ownership of media entities and details of their corporate governance and funding

- Competitiveness of salaries paid to media professionals relative to other professional salaries in the country
- Performance and prospects of the media as a sector of the economy and the business performance of media enterprises
- Reach of all of the elements (print, broadcast, internet, mobile) of the sector across different segments of the population – for example, rural/urban, literate/illiterate
- Degree to which citizens use the information they get via the media to make decisions which impact their lives

There are other important areas that media impact that may be impossible to measure quantitatively. One such area is the flow of information from citizens to decision makers (and by extension, the extent to which citizens' needs and perspectives are represented by government and other bodies). Another area is the information culture of a country and different areas within a country: where citizens get information from, what information they trust, what they would like more information about, how they use information, etc.

Not surprisingly given the complexity and range of the areas that media can impact, no single index on the media sector currently encapsulates the list above. Taken together, the different sources of data on media do better to capture some areas than others. Freedom House Freedom of the Press Index captures aspects of independence of the press but mostly in terms of government control. The Reporters without Borders World Press Freedom Index measures the amount of freedom journalists and media in a country have and the efforts made by the government to ensure the same. It mostly focuses on safety and security of journalists and the degree to which the legal environment ensures journalists' rights. The index has been updated (in 2006) to include aspects of self-censorship and financial pressure that affects a media sector (like Freedom House). IREX MSI Index is the most comprehensive in terms of what it measures since it considers the media as a whole system, integrating different aspects that lead to a healthy media sector: Freedom of Speech, Professional Journalism, Plurality of News Sources, Business Management and Supporting Institutions.

There is some data that measures reach of media infrastructure across countries and over time, but it does not specify whom the infrastructure reaches. In other words, it is impossible to say from this data whether the numbers mostly stand for the urban and literate sections of the population or whether a real cross-section is represented. The reach data is also merely a reflection of whether people have access to the media infrastructure but contains no information as to how the media is used. Thus, the data does not describe whether media is being accessed for news and information or for entertainment. Such

granular details are only available in audience research data and opinion polls (like the Barometers and World Value Survey, discussed later).

In addition to the inability to measure all components of the health of a media sector, lies the problem of comparability of the existing indicators – across countries and over time. While the Freedom House and Reporters Without Borders Indexes cover the largest sample of countries, only Freedom House provides data that goes back in time to 1981. Reporters Without Borders World Press Freedom Index is relatively new and has data only from 2002.<sup>6</sup> IREX MSI Index, despite being the most comprehensive of the lot in terms of the range of factors related to the media that it examines, begins in 2000 and covers only some regions of the world (Africa, Europe, Eurasia, and Middle East). Moreover, the countries covered may vary slightly from one year to another. Furthermore, all of these indices are often criticized for having a western bias (Burgess, 2010; UN, 2001), particularly for the preference that Freedom House and MSI give to the privately-owned commercial model.

There are some less well-known data sources that address very interesting and important questions. Prominent in this category are UNESCO – Culture and Communications statistics and Global Integrity Index. Despite containing very important questions on the media sector<sup>7</sup> both the datasets have data for a limited number of countries (90 and 84 respectively); further, even for such a small number of countries, much of the data is absent for all of the years covered.<sup>8</sup> This renders meaningful analysis using the data difficult.

There is a severe lack of publicly available and comprehensive audience and market research data on the media sector. Large media companies collect this data for the key markets they judge to be the most commercially relevant. Many countries with incipient or developing media markets do not have con-

6 Moreover, RWB expanded the scope of the index in 2006 by including questions on self-censorship and financial pressure in the sector. This implies that the scores are not exactly comparable over time.

7 Examples of relevant indicators from UNESCO database: # of community radio stations, ratio of public to private media institutions (TV, radio and newspapers), sex ratio of broadcast journalists (TV, radio), broadcast coverage as % of population, % of annual broadcast time on specific topics (art & culture, indigenous tribal people, education & science). Examples of relevant indicators from Global Integrity Index database: Are anti-corruption/good governance CSOs legally protected? In practice, where necessary, citizens can obtain a print media license within a reasonable time period, In practice, political parties and candidates have equitable access to state-owned media outlets, Are the media credible sources of information.

8 For example of the 42 indicators that comprise the UNESCO – Culture and Communications statistics, only 11 have reasonable amount of data and thus can be used for macro analysis.

sistent or consistently good quality data collected on them.<sup>9</sup> The data that exists is mostly available at a premium cost. Moreover, most of this data does not distinguish between news information and entertainment.

These data are essential for local information on the market for and perception of media in a country and should be available and accessible to media houses for making meaningful business decisions. Some public opinion data that includes questions on the media is public, like [Latinobarómetro](#), [Asian Barometer](#), [AfroBarometer](#), [Arab Barometer](#) and [World Values Survey](#). Latinobarómetro is an annual public opinion survey that involves some 19,000 interviews in 18 Latin American countries. Afrobarometer surveys are conducted in more than a dozen African countries and are repeated on a regular cycle. Likewise the Arab Barometer contains politically relevant citizen opinion and aims at contributing to political reforms and strengthens institutional capacity for public opinion research. The Asian Barometer is an applied research program on public opinion on political values, democracy, and governance covering 13 East Asian and 5 South Asian countries. It is an outgrowth of the Comparative Survey of Democratization and Value Change in East Asia Project (also known as East Asia Barometer). In July 2001, the EABS joined with three partner projects — Latinobarómetro, Afrobarometer and Arab Barometer in a path-breaking effort to launch the Globalbarometer Survey (GBS) – a global consortium of comparative surveys across emerging democracies and transitional societies.<sup>10</sup> The World Values Survey attempts to provide a comprehensive assessment of all major areas of human concern – religion, politics, economics, and social issues.

While information in these surveys is extremely relevant and important, acquiring the data is often a hurdle. The data is often formatted in pdfs and thus hard to work with analytically. Further, the most recent years of these surveys are only available for purchase.

The market research data on media sector is generally undertaken by market research firms which themselves run on a commercial business model; hence most of this data is costly to acquire. Moreover, none of the existing market research data cover significant parts of the most underdeveloped regions of

the world (namely Sub-Saharan Africa, Eastern European nations, the poor countries of South Asia, etc.) and this makes the data less relevant from a development perspective.

The other area that lacks sufficient quantitative information is the amount of donor contribution to the media sector. Spending on media development is often hidden in the budget lines of other categories like ICT, governance, health, etc. The only two sources that provide us with a rough estimation of donor spending on media development are OECD/DAC database and the AidData dataset. The OECD/DAC database contains data on Official Development Assistance<sup>11</sup> from 2002-2009. The AidData database includes data on development financing projects from 1947-2009. They define development finance as loans or grants from governments, official government aid agencies, and inter-governmental organizations (IGOs) intended mainly to promote the economic development and welfare (broadly defined) of developing countries. This expands upon the traditional definition of “aid” as only including flows that fit the traditional definition of Official Development Assistance. For both sources media falls under the category “Communications Development.” However data available via both these sources should not be considered representative of what might be spent on media sector development. This is because firstly, how donors define spending on “media and communications” (as categorized by OECD/DAC) is ambiguous. Secondly, a large part of this is ICT expenditure, and communications and infrastructure development is not synonymous with media development but merely a sub-part of it. Unfortunately, media development is not yet a specific category for spending for the donor community, leaving a huge gap in the understanding of the donor efforts to strengthen the sector. USAID has made more granular and precise data available on its spending in support to the media, but other donors have not yet followed suit.<sup>12</sup>

9 As of this writing, the Broadcasting Board of Governors has pledged to make its audience research available to the media development community. This research focuses on developing and fragile countries that are mostly left out of commercial research. This data provides information on device ownership, media consumption, and perceived trustworthiness of various media resources in countries. They capture the extent to which citizens rely on the media sector of a country for vital information. The details of how the data will be shared are still being defined.

10 However, data of the Globalbarometer Survey is not available yet.

11 Official Development Assistance (ODA) means grants or loans which are undertaken by the official sector with promotion of economic development and welfare as the main objective at concessional financial terms. In addition to financial flows, technical co-operation is included in aid. Grants, loans, and credits for military purposes are excluded.

12 This data has been made available after its use in a study for USAID: Steven E. Finkel, Anibal Perez Linan, and Mitchell A. Seligson (2008), “Deepening Our Understanding of the Effects of US Foreign Assistance on Democracy Building”, Final Report USAID/Vanderbilt University/University of Pittsburgh.

# 3

## EXISTING EMPIRICAL ANALYSIS ON THE RELATIONSHIPS BETWEEN MEDIA AND DEVELOPMENT

The academic literature (especially in the field of economics) related to media and its importance in development emphasizes the ways in which a free and independent media sector brings about more transparency in government actions and leads to better development outcomes.



Photo by Claudia Dewald

Sen (1984, 1999) emphasized media's role in overcoming critical public choice problems like prevention of famines. Stiglitz (2002) pointed out the significance of the media in mitigating principal-agent problems and also in improving government accountability and transparency. The main idea of all these studies is that populace does not have perfect information about government's actions and, therefore, media can make such information available to the masses and give them the power to analyze the government's actions. Kaufmann (2006) has repeatedly recognized the key role of media as a part of the good governance, anticorruption, and poverty alleviation endeavors of international organizations, especially the World Bank. He also emphasizes the need to popularize other measures of media development in mainstream academic literature to expand and improve analysis.

The characteristic feature of the literature is the dominance

of usage of Freedom House Freedom of the Press Index and macro analysis of the topic. Few studies have relied on a theoretical framework and a micro focus (e.g., Besley and Burgess, 2001; Leeson and Coyne, 2005; Jensen and Oster, 2009). All the research in this regard has the general consensus that a free media is important for economic development and causality is established using sound econometric techniques.

In the policy sphere, reports by UNESCO and UNDP have repeatedly emphasized the importance of a sound media sector for economic development. These reports (e.g. Norris and Zinnbauer, 2002; Norris, 2006; Guseva et. al, 2008) differ from the academic literature primarily in two ways. Firstly, they bring to attention the existence and importance of aspects of a strong media sector other than press freedom, and they emphasize the importance of the less known ways to measure media development. Secondly, these reports mostly rely on correlation and associations between variables to establish their claims. This paves the way for future research to draw from their emphasis on other types of media development indicators and investigate causal relationships between the media sector and development.

Interestingly, most of the above strands of work do not investigate development of the media sector itself. The literature predominantly considers the impact of a developed media sector on development outcomes. This, to an extent, reflects that media development is still considered mostly as a "tool" for development as opposed to a complementary or interim "goal." A more extensive review of the economics literature on media sector's importance in economic development is provided in Appendix I<sup>13</sup>.

<sup>13</sup> An exhaustive matrix capturing quantitative studies of media and development is available at [www.MediaMapResource.org](http://www.MediaMapResource.org)

## OUR APPROACH

### 4.1 Multi-dimensional Approach to Quantifying Media

For the statistical and econometric analysis we rely on macro data on media development. The analysis consciously avoids focusing exclusively on the much-used Freedom House's Freedom of the Press Index.<sup>14</sup> By incorporating in our analysis a wide variety of quantitative data on the media sector we aim to provide a holistic picture of how the sector has been shaping up around the globe. An important aspect of our analysis is the emphasis on both association and causality. From our perspective, every aspect of economic development is intertwined, and each aspect affects every other aspect. Accordingly we will not be seeking evidence for claims that media development single-handedly leads to economic development (whether in terms of transparency, good governance, or other development goals). Our research demonstrates that on a general level, a healthy media sector is associated with a promising development environment. Later, we consider cross cutting themes (e.g. gender empowerment) to investigate if a developed media sector leads to desired outcomes in the identified variables. Hence, we combine approaches taken by both the academic literature and reports published by other international organizations (like UNESCO) to depict development of the sector over time and also investigate its role in positive developmental outcomes.

In addition to looking at the enabling environment for media development,<sup>15</sup> we look at the prospects of the media sector as an economic entity, either as a business or as an organiza-

tion that funds itself through a variety of means. This approach takes as a given that the media sector must be financially viable for it to be independent and healthy. The analysis focuses on the economic performance of the media sector in countries over time (restricted by available data). This is done by looking at parameters like advertising expenditure as a percentage of GDP, growth in advertising expenditure, change in revenue, and circulation of newsprint, etc. The other intention of the analysis is to see how the performance of the media sector as a business matches up against the general business environment and

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performance of a country. For this we compare the business performance indicators of the media sector with other macro-economic indicators. As mentioned earlier, our investigation of the business aspect of media sector is severely restricted by the limits of data availability. However, because this is the first attempt of looking at the issue within a broad developmental framework, it is an important contribution of the Project.

Alongside a global analysis focusing on business issues, we are designing an approach for regional analysis. We begin with the data-poor region of Sub-Saharan Africa. The goal of the regional analysis is to investigate if the relation between media

<sup>14</sup> Our empirical analysis is restrictive to mostly those datasets that cover a reasonable number of countries and span over multiple years.

<sup>15</sup> The enabling environment for media development refers to the required conditions (like complementary institutions) that facilitate the development of a healthy media sector.





Photo by Rami Halim

development and other aspects of economic development varies across regions. This approach acknowledges that countries at the same economic level are not identical; rather, each are characterized by social, economic, cultural, and political traits particular to the region they belong to.

In addition to the macro analysis for Quantifying Media, we also provide statistical analysis for the Country Case Studies based on available data. While there is some variation in available data across different regions, we are also using globally available data, which will allow for consistent points of comparison across countries. This approach will also contribute to

an understanding of media development interventions in the specific context of each of the countries. The Case Studies have a significant qualitative component, and this mixed-methods approach will provide additional insight not often available in existing case studies of media development.

## 4.2 Contributions to the understanding of development

We are undertaking a two-step approach to establish that a developed media sector is a part of a country's general economic well-being and is also a leading force for positive change. In the **first step**, we look at secondary macro data representing various aspects of the health of a media sector. We look at how the different indicators have progressed (or not) over time across countries. We are using simple graphical analysis to depict the trend in media sector development and its association with various developmental indicators. In the **second step**, we identify various cross-cutting issues and investigate whether a developed media sector leads to better outcomes in those identified issues (e.g. does a robust media sector lead to higher degree of women's empowerment?). The analysis utilizes econometric techniques (ordinary least square method to begin with and two stage least square method to account for two-way causality issues) used in mainstream academic literature.

Apart from taking stock of existing relationships between media and development and explaining them, our study also focuses on the data that are absent. We provide gap analyses **firstly** on the existing data (identifying which data ask the best questions but do not have any information, which countries have the most shortage of data, etc.) and **secondly** on the quantitative or qualitative information (like the absence of market research in developing economies, absence of data on donor funding of media development, etc.) on the media sector's performance that is generally lacking for developing countries. This aims to draw attention to the huge amount of missing information that renders a comprehensive analysis of the sector impossible and provides key questions and a direction for future streams of work.

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# APPENDIX 1: LITERATURE ON THE ROLE OF MEDIA IN ECONOMIC DEVELOPMENT

NABAMITA DUTTA AND SANJUKTA ROY

The growing literature on economic development, and more that on new institutional economics, has increasingly realized media of a country to be a critical component of its development process. While factors like human capital, investments, social, and other demographic factors are critical components of any recipe for development, the role played by an efficient (or, an inefficient) media sector has gained huge importance over time. An ideal media industry, public or private, forms the eyes and the ears of the populace. Media acts as an anchor in many facets of a society and caters to its best interests – upholding the party in rule or exposing its vices, bringing out the positives and negatives of the industry, making people’s voices audible to the decision makers and most importantly, divulging and spreading economic and other information. As Islam (2002) points out, the three most critical attributes of an efficient media sector are independence, quality, and reach. These benchmarks<sup>1</sup> ensure that information is reported without the fear of government and other interest groups, views are expressed from a wide variety of perspectives, and media has the capacity to generate political, social and economic information to all segments of the society.

Economists have contradictory views about the ownership of the media sector in a country. They disagree on whether public or private ownership of media sectors is more desirable. The public interest theory maintains the desirability of a state controlled media. According to them, information is essentially a public good, and hence no individuals can be excluded from using it, once information is made available. Once the fixed cost of gathering and distributing information is sorted out,

1 Independence implies that a media outlet has the ability to report information without the fear of getting penalized and that it is not under the control of any interest group. Islam stresses that second benchmark, quality, is hard to judge. Islam defines such characteristic as follows – quality media is one which objectively reports basic economic, social and political information, can publish a diversity of opinions for which it can be held accountable and can scrutinize information in terms of its real values to the society. Finally, reach implies the extent of access the populace has to the print, electronic or broadcast media.

the marginal cost of supplying information is very small due to the presence of economies of scale. Thus, based on welfare arguments, the media sector should be totally under government control (BBC, Coase (1950)). Other literature in support of government ownership is Lenin (1925) who writes, “private owners use the media to serve the governing classes.” The BBC has also maintained for many years that the public is protected from “extreme views” under state ownership of the media sector. Critical theorists and neo-Marxists are also apprehensive about the privatization of the media outlets (Bagdikian (1990), Herman and Chomsky (1988), Gramsci (1978)).

The “liberal democratic theory” of media opposes this argument by emphasizing the importance of free speech and, thus, free press for a civil society (See, for Keane, 1991). Related to this approach is the public choice theory which believes that significant state control of the media outlets ruins the efficiency of the media in providing unbiased information. Politicians get an additional edge in manipulating information reaching the public and serving their private interests at the expense of the society.

An extensive literature has talked about how media can make the government transparent about its actions and accountable to the masses.<sup>2</sup> Sen (1984, 1999) emphasized media’s role in overcoming critical public choice problems like prevention of famines. Stiglitz (2002) pointed out the significance of the media in mitigating principal-agent problems and also in improving government accountability and transparency. The main idea of all these studies is that populace does not have perfect information about government’s actions and, therefore, media can make such information available to masses and give them the power to analyze the government’s actions. Norris and Zinnbauer (2002) confirm the same in their report and

2 There is a much less extensive literature looking at the impact of other factors on the presence of a free press. However, Dutta and Roy (2009) establish that higher foreign direct investment inflows to a nation contribute to a free press.

emphasize that an independent press is strongly associated with good governance and human development. In particular, free press nations are characterized by less corruption, greater administrative efficiency, politically stable environment, efficient rule of law and better economic development in general. Bandopadhyay (2005) finds that mass media and information-communication penetration is associated with lower levels of corruption and poverty. Dutta, Pal and Roy (2011) find that a free and independent media acts as a means of enhancing socio-political stability which in turn leads to higher economic growth via increased domestic investment. Freille, Haque and Kneller (2007) find evidence that both political and economic influences on the media are robustly related to corruption, while detrimental laws and regulations influencing the media are not. Guseva et. al (2008) emphasize the role of a free press as an instrument for development. Kaufmann (2006) has repeatedly recognized the key role of media as a part of the good governance, anticorruption and poverty alleviation endeavors of international organizations, especially the World Bank. He also emphasizes the need to popularize other measures of media development in mainstream academic literature to expand and improve analysis. Norris (2010) emphasizes the need to recognize media as an integral part of the core institutional framework that empowers a democracy. In this context she also points towards the necessity of undertaking a holistic approach towards media development instead of the present piecemeal short-term efforts.

Based on a study on India, Besley and Burgess (2001) show that in regions where government is accountable and newspaper circulation is high, calamity relief expenditure and public food distribution is efficient. Jensen and Oster (2009) use data from rural households in four Indian states and explore the effect of the introduction of cable television on women's status in rural India. They find introduction of cable television to be associated with greater awareness about social status amongst women and with a decrease in fertility. Their study shows how

mass media affects informal institutions and paves the way for economic development. Other literature has also stressed the role of media as a watchdog on the incumbents (government and state players) and, thus, enabling vulnerable citizens monitor the power of the same (Besley and Burgess (2001)). Besley, Burgess and Prat (2002) identify the mechanisms through which mass media can enhance government accountability. Other studies in political science have also emphasized the role of the media as the primary source of information to the electorate (Brians and Wattenberg (1996); Mondak (1995)).

There are other studies which are not supportive of state ownership<sup>3</sup> of the media sector. Economies with intense government ownership of the media have been shown to suffer from poverty, high infant mortality rates, less access to sanitation, higher corruption, and less developed capital markets (Djankov, McIesh, Nenova and Shleifer, 2003). Coyne and Leeson (2005) emphasized that, for a state controlled media, politicians get an additional edge in manipulating information reaching the public and serving their private interests at the expense of the society. Further, Leeson (2008) finds that in countries where government has direct or indirect control (by controlling vital infrastructural and distributional facilities) of the media sector, and restricts free flow of information in the society, citizens are more politically ignorant and apathetic.

<sup>3</sup> Even some Pigouvian economists avoid making apparent comments about the role of the government in the media industry although they are very much pro regulation and nationalization in the case of other industries (Simons (1948), Myrdal (1953), Lewis (1955)).

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The Media Map Project draws together what we know and precisely defines what we do not know about the relationships between the media sector and economic development and governance. The research also examines donors' roles in supporting the media sector over time and provides an evidence base for their future decision-making about media support. Through research, public events, and the data made available on the project website for public use and extended research, the project aims to engage the development sector in greater understanding and exploration of the role of media and information in development. See [www.MediaMapResource.org](http://www.MediaMapResource.org) for more information.



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