

CHALLENGES FACING UGANDAN THEATRE  
INDUSTRIES IN A LIBERALISED ECONOMY

**Augustine Bazaale**

97/HD/664

DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS  
FOR THE AWARD OF DEGREE OF MASTER OF ARTS IN PUBLIC ADMINISTRATION  
AND MANAGEMENT OF MAKERERE UNIVERSITY

**NOVEMBER 2006**

**DECLARATION**

I, Bazaale Augustine, hereby declare that to the best of my knowledge, this dissertation is entirely my original work, unless where acknowledged, and that, it has not been presented in any university for any award.

Signed.....

**AUGUSTINE BAZAALE**

Date: November 2006

**Supervisor (I)**

Prof. FORSTER EMERSON BYARUGABA  
Department of Political Science and Public Administration  
Faculty of Social Sciences, Makerere University  
P.O. Box 7062, KAMPALA

**Signature.....**

Date: November 2006

**Supervisor (II)**

Mr. FRANK MBAAGA KAKINDA  
Senior Lecturer  
Department Sociology  
Faculty of Social Sciences, Makerere University  
P.O. Box 7062, KAMPALA

**Signature.....**

Date: November 2006

## **DEDICATION**

This work is especially dedicated with honour and respect to the following persons for the rare gift of loving kindness they abundantly extended to my family and me at the time

I badly needed it.

- **Mrs. Ruth Sserwadda**
- **Mr. and Mrs. Najib Kamoga**

## ACKNOWLEDGEMENT

It is befitting that my utmost acknowledgement goes to the almighty God.

I am highly indebted to my supervisors, Prof. F.E. Byarugaba of Political Science Department, for his invaluable guidance from the time of proposal writing through to the finalisation of the report. Deep gratitude goes to Mr. Frank Mbaaga Kakinda of Sociology Department for the guidance and encouragement in pursuing this course to completion even when I thought I could not manage it, and for helping me in the preparation through to the final report writing. I am also thankful to Dr Yasin Olum, the MAPAM Coordinator at the Department of Political Science and Public Administration, who showed keen interest in seeing that I complete the course. *I* appreciate greatly the support given to me by Dr. Axel Paul of Freiberg University, German. I am very thankful to Dr. Marie Kruger, and the staff of the Department of Drama as well as the staff of the Library of the University of Stellenbosch, South Africa, where I received a lot of Material for my study, using both internet and the library books. I am grateful to the Directors and management of Uganda National Theatre, in particular, Mr. Joseph Walugembe, Mrs. Alice Lwanga, Sarah Zawedde, Susan; Mr. Stephen Rwangyezi of Ndere Centre. I acknowledge the contribution by Mr. Benon Kibuka, Mr. Charles J. Senkubuge, and Aloysius Matovu of Pride Theatre, Mr. Kato Lubwama, Mr. Ashraf Ssemwogerere of Cooper Theatre, Bat Valley Theatre and Individual artists I met and willingly cooperated in making the interviews possible. In particular I am grateful to the Lecturers of Makerere University Business School: Department of Marketing, Department of Leisure and Hospitality, Department of Management, Department of Financial Management. I

appreciate heartily the support of Department of Music, Dance and Drama and all the Lecturers there.

Special acknowledgement goes to my family- especially my wife Alice, for all the support. I cannot forget to thank all those who assisted me in typing this work. And all those I have not mentioned individually, I say, Thank you a lot. And God bless you.

## TABLE OF CONTENTS

DECLARATION .....	ii
DEDICATION .....	iii
ACKNOWLEDGEMENT .....	iv
TABLE OF CONTENTS .....	vi
LIST OF TABLES .....	x
ABSTRACT.....	xi
CHAPTER ONE.....	1
<b>INTRODUCTION</b> .....	1
1.1 <b>BACKGROUND TO THE PROBLEM</b> .....	1
1.2 <b>STATEMENT OF THE PROBLEM</b> .....	5
1.3 <b>OBJECTIVES OF THE STUDY</b> .....	6
1.3.1    General Objective .....	6
1.3.2    Specific Objectives .....	6
1.4 <b>SCOPE OF THE STUDY</b> .....	7
1.5 <b>SIGNIFICANCE OF THE STUDY</b> .....	7
1.6 <b>LIMITATIONS OF THE STUDY</b> .....	8
1.7 <b>CONCEPTUAL DEFINITIONS</b> .....	8
1.7.1    Theatre: .....	8
1.7.2    Competitive environment:.....	9
1.7.3    Challenge:.....	9
1.7.4    Culture, Cultural Industries, Creative industries and Theatre Industries .....	9
1.7.5    Economic Liberalisation .....	11
CHAPTER TWO.....	12
<b>REVIEW OF RELATED LITERATURE</b> .....	12
2.1 <b>INTRODUCTION</b> .....	12
2.1.1    Introduction .....	12
2.1.1.2    Possible Pitfalls of Liberalisation .....	15
2.1.3    Cultural Policy .....	17
2.1.4    Competition Policy and law .....	19
2.2 <b>CHALLENGES CAUSED BY INFRASTRUCTURE IN UGANDAN THEATRE INDUSTRIES</b> .....	21
2.2.1    Networks and Alignments in Theatre Industries .....	21
2.2.1.2    Organisational Alignment and Institutional infrastructure.....	22
2.2.1.3    Joint Productions.....	23
2.2.2    Planning and Physical Infrastructure .....	24
2.3 <b>CHALLENGES CAUSED BY STATUS OF CAPITAL IN THEATRE INDUSTRIES</b> .....	25
2.3.1    Capital .....	25
2.3.1.1    Access to Financial Capital .....	25
2.3.1.2    Human Capital .....	26

2.3.2	Investment .....	27
2.3.4	Market Structure Analysis.....	20
2.3.4.1	Local Market.....	21
2.3.4.2	Global market .....	20
2.4	ENTREPRENEURIAL CAPACITY TO HANDLE CAPITAL AND INFRASTRUCTURE.....	28
2.4.1	Entrepreneurship and Innovation.....	28
2.4.1.1	Introduction .....	28
2.4.1.3	Management Skills.....	29
2.4.1.4	Organisational Behavior and Culture.....	30
2.4.3	Competitive Advantage.....	33
2.4.3.1	Introduction .....	33
2.4.3.3	Competitive Advantage.....	33
2.4.3.1.1	Price Competition .....	34
2.4.3.2	Service Quality and Customer Care.....	35
2.5	THEORETICAL/ CONCEPTUAL FRAMEWORKS .....	36
2.5.1	Theoretical Framework.....	36
2.5.2	Conceptual Framework.....	39
	CHAPTER THREE.....	41
	METHODOLOGY.....	41
3.1	INTRODUCTION .....	41
3.2	RESEARCH DESIGN .....	41
3.3	AREA OF STUDY .....	41
3.4	STUDY POPULATION .....	42
3.5	SAMPLE SELECTION AND SIZE.....	43
3.6	SAMPLING PROCEDURE.....	45
3.6.1	Selection of Theatre Industries.....	45
3.6.1	Selection of Respondents .....	45
3.7	DATA COLLECTION.....	45
3.7.1	Semi-structured Questionnaires.....	45
3.7.2	Interview guides for Key informers.....	46
3.7.3	Focus Group Discussion Guide .....	46
3.7.4	Documents.....	46
3.7.5	Internet .....	46
3.7.6	Observation.....	46
3.8	PROCEDURE FOR DATA COLLECTION .....	47
3.9	DATA ANALYSIS.....	47
3.10	RESEARCH BIASES AND HOW THEY WERE DEALT WITH.....	48
	CHAPTER FOUR .....	50
	FINDINGS.....	50
4.1	INTRODUCTION .....	50
4.2	CHALLENGES CAUSED BY INFRASTRUCTURE IN THEATRE INDUSTRIES.....	61
4.2.1	Networks and Alignments In Ugandan Theatre Industries .....	61
4.2.1.1	Associations, local and international .....	61

4.2.1.2	Institutional Infrastructure (theatres) .....	63
4.2.1.3	Joint Performances .....	65
4.2.2	Planning and Physical Infrastructure .....	66
4.3	<b>CHALLENGES CAUSED BY STATUS OF CAPITAL IN THE THEATRE INDUSTRIES</b> .....	68
4.3.1	Capital .....	68
4.3.1.1.	Access to Financial Capital .....	68
4.3.1.1.3	Financing the Organisation’s Objectives .....	71
4.3.1.2	Human Capital .....	72
4.3.1.2.1	Matchmaking manpower with the complexity of the economy .....	72
4.3.1.2.2	Labour market Structure.....	73
4.3.2	Investment .....	74
4.3.3	The Market Structure Analysis .....	54
4.3.3.1	Local Market.....	54
4.3.3.2	Global Market.....	58
4.4	<b>ENTREPRENEURIAL CAPACITY TO HANDLE CAPITAL AND INFRASTRUCTURE</b> .....	75
4.4.1	Entrepreneurship and Innovation.....	79
4.4.1.1	Introduction .....	79
4.4.1.2	Marketing Skills.....	80
4.4.1.4	Organisational Behavior and Culture.....	82
4.4.1.6	New Technology.....	83
4.4.1.7	Historical Factor .....	84
4.4.1.8	Internal rivalry and administrative dynamics .....	86
4.4.2	Theatre Literacy.....	86
4.4.2.1	Perception of the Theatre industries .....	86
4.4.2.2	The inter-linkage between Innovation, Entrepreneurship and Public Policy....	87
4.4.3	Competitive Advantage.....	89
4.4.3.1	The Competitors .....	90
4.4.3.2	Price competition .....	93
4.4.3.3	Service Quality and Care Competition .....	94
<b>CHAPTER FIVE</b> .....		95
<b>DISCUSSION OF RESEARCH FINDINGS</b> .....		95
5.1	<b>INTRODUCTION</b> .....	95
5.2	<b>CHALLENGES CAUSED BY INFRASTRUCTURE IN UGANDAN THEATRE INDUSTRIES</b> .....	99
5.2.1	Networks and alignments .....	99
5.2.1.1	Associations (local and international).....	99
5.2.1.2	Organisational Alignment and Institutional infrastructure.....	100
5.2.1.3	Joint Productions.....	101
5.3	<b>CHALLENGES CAUSED BY STATUS OF CAPITAL IN THE THEATRE INDUSTRIES</b> .....	102
5.3.1	Capital .....	102

5.3.2.1.2	Financing Organisations' Objectives .....	106
5.3.2.1	Human Capital .....	108
5.3.1.2.1	Matchmaking Manpower with the Economy .....	108
5.3.1.2.2	Labour Market Structure .....	109
5.3.3	Investment .....	109
5.3.4	Market Structure Analysis .....	110
5.3.3.1	Local Market.....	110
5.3.3.2	Global Market.....	110
5.4	CHALLENGES RELATING TO THE ENTREPRENEURIAL CAPACITY TO HANDLE CAPITAL AND INFRASTRUCTURE IN A LIBERALISED ECONOMY 111	
5.4.1	Entrepreneurship and innovation .....	112
5.4.1.1	Introduction .....	112
5.4.1.2	Management Skills.....	112
5.4.1.4	Organisational Behaviour and Culture.....	114
5.5	THE THEORETICAL RELATIONSHIP OF THE CONCEPTS INFRASTRUCTURE, CAPITAL, PUBLIC POLICY AND INSTITUTIONAL POLICY 115	
CHAPTER SIX.....		116
CONCLUSION AND RECOMMENDATIONS .....		116
6.1	SUMMARY OF FINDINGS.....	116
6.1.1	Introduction .....	116
6.2	CONCLUSION.....	121
6.3	RECOMMENDATIONS .....	123
6.4	AREAS FOR FURTHER RESEARCH.....	126
REFERENCES .....		127
ANNEXES:.....		134

## LIST OF TABLES

Table 1. (a) Showing Sector Contribution to GDP, 2000/01 – 2004/05 .....	1
Table 1(b) Audience attendance at the National Theatre, 1994-1998.....	3
Table 1(c) Payments and Spending Patterns at the National Theatre in 1997-1998. (All figures are in millions).....	4
Table 3 a showing the structure of instruments and target respondents.....	44
Table 4(a) Estimated Weekly Costs for Kampala Theatre Groups.....	70
Table 4 (b) estimated Weekly Costs for Kampala Theatre .....	71
Table 4(c) showing demand patterns in audience; Non Theatre-goers .....	57
Table 4 (d) showing Public Attitude towards Theatre .....	58
Table 4 (e) Percentage of the contribution of cultural activities to GDP in Iceland 2000	59
Table 4 (f) showing contribution of Creative industries to economy of a country .....	60
Table 4 (g) showing contribution of cultural industries to the economy .....	61
Table 4 (h) Showing Direct competitors .....	90
Table 4 (i) Showing Potential Competitors and Substitutes to theatre performance .....	90
Table 4 (j) Showing Situation within the Theatre Industry .....	90
Table 4 (k) showing audience other options for entertainment other than theatre .....	91

## LIST OF FIGURES

Figure 1: Porter's Diamond Model (Porter, 1980).....	36
Figure 2. Challenges Facing Ugandan Theatre Industries in Liberalised Economy .....	39
<u>    </u> The Conceptual Framework.....	39
Figure 3. Organisational Structure of National Theatre of Uganda.....	64
<u>    </u> <i>Source</i> : National Theatre Records 1998 .....	64
Figure 4. An organgram of typical Theatre Company, Uganda, 2006.....	64

## LIST OF ABBREVIATIONS AND ACRONYMS

ASSITEJ	International Association for Theatre for Children and Young People
AGOA	The African Growth Opportunity Act
ACP/EU	African Caribbean and Pacific/ European Union
CPA	Cotonou Partnership Agreement
COMESA	The Common Market for Eastern and Southern Africa
GDP	Gross Domestic Product
EAC	East African Community
EATI	East African Theatre Institute
EBA	Everything But Arms
EU	European Union
GSP	Generalised System of Preference
IATA	International Amateur Theatre Association
IMF	International Monetary Fund
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MDD	Music, Dance and Drama (Department, Makerere University)
MFPEd	Ministry of Finance, Planning and Economic Development
MGLSD	Ministry of Gender, Labour and Social development
MTTI	Ministry of Tourism Trade and Industry
NEPAD	New economic Partnership for Africa's Development
OISTAT	International Organisation of Scenographers, Theatre Architects and Technicians
SMEs	Small and Medium sized Enterprises
UDTA	Uganda Development Theatre Association
UNCC	Uganda National Cultural Centre and National Theatre
UNCTAD	United Nations Commission for Trade and Industry
UPRS	Uganda Performing Rights Society
UTGA	Uganda theatrical Groups Association
UTGAA	Uganda Theatrical Groups and Artists Association
UTN	Uganda Theatre Network
WTO	The World Trade Organisation

## **ABSTRACT**

This study set out to investigate challenges that theatre industries in Uganda are facing in a liberalised economy. In particular it sought to examine the contribution of entrepreneurship, innovation and enabling public policy as key elements in the organisational sustainability for theatre industries in this period of rapid change and non-linear dynamics and especially so in a world of competition and new market realities

The study took a qualitative approach to exploring entrepreneurship and innovation highlighting the interaction between these two with capital and infrastructure as they interface with institutional policy and public policy to influence the quality of business performance output of a business enterprise, in particular theatre industry. Focus Group Discussions, questionnaires and in-depth interviews with Senior Government officers, senior theatre managers and artists were conducted to complement a comprehensive literature review of entrepreneurship and innovation.

The study revealed that theatre industries lack an infrastructure as a sector to bring them together, and as individual firms lack the necessary organisational infrastructure to empower them compete favourably in entertainment sector. Findings showed that there is great potential for theatre industry to make significant contribution to GDP of the country, like it is doing elsewhere. Although there is no policy directly affecting theatre industries as industries, the policies tangentially relate to theatre and culture industries. It further showed that very few artists are full time. The majority are part-timers, contractual and indeed a good number are casual artists. The job mobility of artists from

theatre to other industries is remarkably high. Some are information and broadcasting, others have gone out of the country for greener pastures. It was also found out that theatre industry lacks funding. The little capital there is needs solid institutional policies to guide the management and administration. Results also showed that artists and not necessarily managers manage many theatre firms. With all this, it was evident that theatre was and is falling apart by the gravity of its own weight. The quality of business performance output of a business enterprise, in particular theatre industry, was poor indeed. This was attributed to several reasons, among them, lack of adequate theatre literacy among the government officers, policy makers the artists themselves and the general public, the historical factor, failure to engage technology in theatre staging practices now

This empirical study contributes to an understanding of theatre practice within the existing theories and framework of theatre economics. This is an important aspect in public administration and management bringing together public policies and institutional policies.

# CHAPTER ONE

## INTRODUCTION

### 1.1 BACKGROUND TO THE PROBLEM

Major economic transformation strategies have been designed and tested in Uganda since the 1980's. Many of these and mainly known as structural adjustment programmes, were addressing economic growth, and poverty reduction (Benin 2004, 9: 871-886). Gross Domestic Product (GDP) grew steadily from 3 per cent in the 1980's to more than 6 per cent per annum in the 1990's (World Bank, 2004) and people living under the "dollar a day" poverty line fell from 56 per cent in 1992, to 35 per cent in 2000 (UPRSP, 2002; Appleton 2001) this success is associated with sound policies relating investment and economic liberalization undertaken by the government of Uganda with the support from Development Partners (Appleton and Sewannyana, 2003; Deininger and Okidi, 2001; Pender et al, 2001; MAAIF, 2000). Below is Sector Performance from 2000/01 – 2004/05

Table 1. (a) Showing Sector Contribution to GDP, 2000/01 – 2004/05

<b>Sector\</b> <b>Year</b>	<b>2000/01</b>	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>
<b>Agriculture</b>	40.8%	39.9%	39.0%	37.6%	36.3%
<b>Industry</b>	18.6%	18.9%	19.3%	19.7%	20.4%
<b>Services</b>	40.6%	41.2%	41.7%	42.7%	43.3%

Source: Uganda Bureau of Statistics, cited from MFPED 2005/06 *Background to the Budget, June 2005*

The Service sector is leading in contribution to GDP. Theatre falls under service sector, in particular, the hospitality and leisure sub sector. It is not reflected in the major government records as one of the contributors. This could be partially due to existing conceptual distortion surrounding theatre. Is it an economic activity, a cultural activity, and education activity, a communication activity? This study places theatre industry in the context of liberalised economy in Uganda within the structural adjustment processes and programmes.

Pre-colonial Theatre Industry in Uganda in particular, before 1920s, was casual entertainment with the value of the performance obscure and purely for entertainment (Mbowa, 1993). The colonial government came with it scripted drama, music and western dance, a form that was seen as alien and was associated with scholars and elites. In 1930s and 1940s conventional theatre in the form we know it today was started in the Go-downs of Bugolobi, a suburban parish in Nakawa Division, Kampala. Later on, in Makerere University College (the present day Makerere University) the staging was mainly western written plays like Shakespeare introduced Literature in school syllabus and that was the beginning of Theatre as a commercial enterprise. (Sentongo, 1997) While as this has been emphasized in schools in the rural and general community it has not been understood yet as a business venture nor perceived as business potential or a career should pursue to make for one's living. Today, theatre industry in Uganda is beginning to assume a new dimension. Artistes in Uganda are transforming theatre into an enterprise. In addition theatre has been employed as media facility, a ritual, instructional, interactive and leisure.

The National Theatre of Uganda, the first such theatre built to purpose, enjoyed the monopoly of presenting shows to public for a long time (Kironde, 1984). Late 1980's and early 1990's saw new fringe theatres entered the market, followed with government policy paradigm shift from centralized nationalized economy to a liberalized economy. In a preliminary study taken on National Theatre, Kampala, there is a downward trend of declining Audience attendance at the National Theatre. For example, the cumulative total of audience turn up at the National Theatre in 1994 was 74,600; 1997 was 31,200; and 1998 was 33,900. A monthly analysis for five years shows a season of fluctuating audience response. It is clear that theatres are facing strained performance in Uganda. Four parameters have been used to show this; namely, audience attendance, receipts and spending, labour mobility, and inventory taking.

Table 1(b) Audience attendance at the National Theatre, 1994-1998  
(All figures are in Thousands)

<i>Year</i>	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Total</i>
1994	4.0	6.6	7.3	7.0	5.0	3.0	7.1	8.0	11.0	3.0	4.0	8.4	74.6
1995	8.0	2.5	2.5	2.5	2.0	2.0	5.0	4.9	3.2	3.0	2.9	6.0	44.5
1996	2.8	2.5	3.2	1.3	1.5	1.3	1.0	5.0	1.8	4.2	3.2	7.0	34.8
1997	2.7	3.1	3.8	1.4	2.1	2.1	2.8	3.3	1.2	2.7	3.4	2.6	31.2
1998	4.9	1.8	2.2	1.2	3.4	1.0	2.7	1.4	4.5	1.0	2.6	2.6	33.9

Table 1(c) Payments and Spending Patterns at the National Theatre in 1997-1998. (All figures are in millions)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1997: Rec.	23	8	27	15.5	21	16	12	21	13	28.5	16	10.5	211.5
Pay	14.5	17	33	17	19	17.5	17	17	12	14	21	24	233.0
1998	19	13.5	9	18	13	22	13.6	24	19	18	14	17.6	200.6
Pay	18	14.5	13	16	19	13	15.4	18.9	20	16.3	16.6	14.4	195.1

Source: National Theatre, 1999

The objective of showing these Tables is to give a monthly analysis for five years. This shows a seasonal fluctuation in attendance. It also indicates a consistent pattern of audience decline (Table I (b) above). The receipts and spending patterns show irregular behaviour throughout the year with much of the year the spending being higher than receipts. National Theatre therefore is vulnerable and exposed to a range of risks.

(See table 1(c), above)

Labour stability shows that labour turnover index of 25 per cent leaves the field of theatre each year (Bazaale, 1995). A quick sampling gives about 50 prominent artists already enrolled in FM Radio stations, 30 in business 40 have dropped out business all together. In the 1980's about 364 theatre groups existed in Kampala, alone, (UTGA, 1990), of those 123 were active, 40 dormant and 35 collapsed and 3 practising professionalism. Where the majority about 163 were practising amateur theatre. Some Theatre Houses and a good number of Theatrical Groups have collapsed. It was crucial to investigate whether this economic liberalisation has made the market situation conducive or hostile for theatre industry (Bazaale, 1995).

## **1.2 STATEMENT OF THE PROBLEM**

Structural Adjustment Programmes and in particular, trade and exchange rate liberalisation, were instituted to make the market function better, both domestically and internationally. It was to liberalise trade (for example, by abolishing licenses and quantitative restrictions) and tariff policy (by moving towards low and uniform tariff rates). Agricultural prices and marketing were liberalised and internal prices and similar measures were deregulated. Liberalisation was meant to improve financial sector policy (to achieve competitive returns on financial assets, increase the marginal productivity of capital and boost the saving rate). Furthermore it was to improve the efficiency of public enterprises and labour markets (to enhance the mobility of goods and Labour and to make prices and wages more flexible). It was also to improve the coverage and quality of social services. In principle, Structural adjustment programmes attempted to eliminate distortions brought about by external or internal shocks, which often negatively, affect an efficient allocation of resources in the economy (Hussain and Faruqee, 1996:3; Mubazi, 2000; Kiyagga-Nsubuga 1997:8). According to Goergen (2001) Reforms towards market economy, liberalisation and privatisation are expected, (among other things), to promote: entrepreneurial freedom, responsibility and accountability, optimise allocation of resources, increase productive efficiency, better match between supply and demand better quality services at lower prices. It was expected therefore that this would contribute significantly towards the national Gross Domestic Product (GDP) as per taxable revenue collection. Indeed evidence given above indicates a big achievement because of this liberalisation of the Market.

According to the studies taken recently, theatre is riddled with internal managerial, organizational, financial and scholarship constraints (Mirembe-Ntangaare, 2001), lack of adequate professional training (Musitwa, 2002), lacking in entrepreneurial skills to convert theatre into viable enterprise (Sembera 1990, Okanya 1993) and lacking an Arts Policy (Omare-Okurut, 1989). These in addition to the sampled indicators of audience decline, labour turnover, receipts and payment, and shrinking theatre inventory, clearly reflect theatres' vulnerability and precarious positioning in business against competitive forces. The main thrust of this study therefore, is to investigate the extent this economic liberalisation has made the market situation conducive or hostile for theatre industry. My departure is to examine the theatre industries' innovative and entrepreneurial capacity to harmonise public policy with institutional policy and in particular the components of capital and infrastructure in managing a competitive environment.

### **1.3 OBJECTIVES OF THE STUDY**

#### **1.3.1 General Objective**

To investigate the challenges theatre industries in Uganda are facing in a liberalised economy.

#### **1.3.2 Specific Objectives**

The specific objectives of the study are as follows:

1. To review related public policies and their influence on theatre industries' performance
2. To examine the challenges related to the infrastructure in theatre industries

3. To examine the challenges relating to the availability of capital (financial and human) in theatre industries.
4. To assess the entrepreneurial capacity of theatre industries to handle capital and infrastructure in a liberalized economy

#### **1.4 SCOPE OF THE STUDY**

The study was limited to investigating the challenges that theatre industry in Uganda, in particular, studying theatre practice in Kampala District. This District was selected because it is the hub of all theatre activities. Commercial theatre thrives more in urban centres than in rural communities. The subject matter for this study was to assess the theatre industries' entrepreneurial capacity to handle capital and infrastructure in the face a liberalised economy. This subject matter is relevant to the study because, very few studies if any, have handled infrastructure and capital in the context of liberalised economy. The study covers the period from 1994 up to 2006. This period is chosen because; this is about the period when structural adjustment programmes have been in full implementation.

#### **1.5 SIGNIFICANCE OF THE STUDY**

The results of this research will enrich the information available about theatre practice and as such it will benefit theatre practitioners, government and parastatal and small enterprises in the arts industry. The study will contribute to the understanding of the challenges theatre faces in a liberalized economy. The most recent study taken about theatre practice was 2000 by Mirembe-Ntangaare (2001) on Theatre and the Market. The

findings revealed that up to date literature for local and international scholars and students of theatre and business administration. This will particularly be helpful to the Department of Music, Dance and Drama (MDD) Makerere University, Department of Political Science and Public Administration and the Theatre houses in Uganda as a whole. The study findings will be used as reference material for Policy-makers, The Ministry of Gender, Labour and Social Development (MGLSD), Ministry of Finance, Planning and Economic Development (MFPED) and Ministry of tourism, Trade and Industry (MTTI). Fact and figures and issued used as well as recommendations proposed will be useful guide for formulating appropriate policies and programmes for the promotion of theatre industry as a contributor to National GDP in Uganda.

## **1.6 LIMITATIONS OF THE STUDY**

Owing to constraints of time, finance, and personnel resources, the study had a number of limitations. As a cross sectional study of theatres houses theatre groups and artists, and the policy makers, the public and scholars all selected from Kampala, this study cannot stand out to represent adequately all theatre houses theatre groups and artists in the country. The findings of the study therefore can only point out general trends and indicators of theatre industry practice and performance of the Kampala based Theatres or even whole country.

## **1.7 CONCEPTUAL DEFINITIONS**

### **1.7.1 Theatre:**

In this study the following concepts will carry the meanings hereby attached it is used to cover performances of music, dance, drama or a combination of any of those. Theatre is in

this sense the service that is marketed and consumed. It can also be used to mean the place where theatre is stage. It will in this study cover theatre institutions and organizations such as theatre halls, theatre houses.

### **1.7.2 Competitive environment:**

This is competitor analysis covering direct competitors, potential competitors, and substitute services. Generally it will be used to mean external environment, such as macro-environmental aspects; market and Theatre Industrial environment; internal environment and the associated coping mechanisms available to theatre. This covers macro environment factors such as; political and regulatory mechanisms, economic, technological and societal policies and the audience. This will be used to mean chief executive officer, board of directors/trustees, management committees and top echelon involved in decision making for the organisation.

### **1.7.3 Challenge:**

It will mean an undertaking started but it experiences difficulties in accomplishing the desired goals.

### **1.7.4 Culture, Cultural Industries, Creative industries and Theatre Industries**

Culture, defined as any human behaviour or activity passed from one generation to the next, which describes, creates, preserves or transmits emotions or surroundings of human society, consisting of languages, beliefs, ideas, customs, arts, sports, or other related aspects, is the subject of cultural economics (Frey, 2000; Held *et al.*, 1999; Bendixen,

1998; Peacock, 1994). Goods are a material aspect of culture and make the categories of culture visible (Howes, 1996). Culture can be regarded as a public good, as in the case of cultural heritage. It is not possible to maintain, however, that every aspect of culture falls under the heading of pure public goods, because many aspects are in fact private goods, for instance concerts and art exhibitions in the case of fine arts. In such an event, this cultural activity or cultural element is excludable but not rival. In that case they are impure public goods (Serageldin, 1999). UNESCO has defined culture for the purpose of international economic statistics (Haydon, 2000), dividing the concept into nine categories: cultural heritage, printed matter and literature, music, performing arts, audio media, audiovisual media, social activities, sports/games and environment/nature. Many countries in recent years have recognized that cultural industries promote the vitality and health of the country. Over and above their roles in generating new jobs and economic growth and in promoting social cohesion and a sense of belonging (Leadebearer and Oakley, 1999 cited in Wilson and Stokes, 2002, STEP Report 04-2003 on Nordic Music Industry, Einarsson, 2004; Bourne and Allgrove, 2002) It is still puzzling the concepts of artistic and cultural production as industries in developing nations in Africa (Allard, 1998) Many countries use different terms for example, In the UK, and Iceland the term is Creative industries, UNESCO, it is Cultural Industries, The European Commission, both Cultural sector and cultural industries are used, in China, it is Cultural industry and in the USA it is Entertainment and Media Industries and also Copyright industries are used and Sweden the term Experience Industry is used. Different words, but they all mean the same thing more or less. (Nielsen, 2004)

The terms and concepts of Cultural Industries, creative industries and Theatre Industries shall be used interchangeably in this study.

#### **1.7.5 Economic Liberalisation**

Economic liberalisation being a broad area, this study will however handle the Liberalization of trade policy in Uganda within the structural adjustment processes and programmes as it was meant to bring about reforms in the finance and trade sectors. It will be used to show the organisational external environment of competition and internally associated factors. It will not handle competition at international level, but at an organisational/ corporate level. The concept of competition will stand out as a key concept to represent the aspect.

#### **1.7.6 Innovation**

For the purpose of the present study, innovation is defined broadly to include new products, new processes, new services (including new uses of established products, processes and services), new forms of organisation, new markets, and the development of new skills and human capital.

# CHAPTER TWO

## LITERATURE REVIEW

### 2.1 INTRODUCTION

#### 2.1.1 Introduction

This Chapter contains a review of some of the relevant literature concerning some of the key elements in business and public management, in particular, infrastructure and capital interfacing with public and institutional policies as they profusely interact with entrepreneurship and innovation. A review of the literature reveals that some studies have dealt with the process, structure, and strategy of either entrepreneurship or innovation (Littunen, 2000, Cornwall and Perlman, 1990, Caird, 1988; Casson, 1982), and that others have touched on the conceptual relationship between entrepreneurship and innovation (Schumpeter, 1934, Drucker, 1994, Legge and Hindle, 1997, Kanungo 1999, Sundbo, 1998). . Some studies have dealt with entrepreneurship and innovation by investigating the personality and psychology of entrepreneurs and/or innovators (Littunen, 2000, Caird, 1988; Casson, 1982, McClelland, 1961). Others have talked of the nature of entrepreneurship and innovation in organisations (Goffin and Pfeiffer, 1999; Martin, 1994). However, there have been few empirical studies that explored entrepreneurship, innovation and public policy, especially within the framework of the economic liberalisation. There is insufficient proof to show that there has been any study on Ugandan theatre industry in a liberalised economy. Herbig *et al.* (1994 pp. 37 and 45) have observed: “Innovation requires three basic components: the *infrastructure*; the *capital*; and the *entrepreneurial capacity* needed to make the first two work”. Innovation

is the specific tool of entrepreneurship by which entrepreneurs exploit change as an opportunity for a different business or service. There is considerable overlap between entrepreneurship and innovation ([Kanungo, 1999](#), [Sundbo, 1998](#), [Drucker, 1994](#), [Schumpeter, 1934](#)). This literature review summarises a diverse spectrum of views about entrepreneurship and innovation and the relationship between them.

The section is therefore divided into the following areas:

- 1) Public Policies and their influence on Theatre Industries' Performance
- 2) Infrastructure
- 3) Capital
- 4) Entrepreneurial capacity to handle both capital and infrastructure

The Literature review section ends by outlining the theoretical and conceptual frameworks of the study. In all, an attempt has been made to base the information on the accumulating body of theories and concepts of both business and public administration and management. In most cases literature from outside came first, then that from Africa and finally the literature from Uganda.

## **2.2 REVIEW OF SELECTED PUBLIC POLICIES AND OTHER INFLUENCE ON THEATRE INDUSTRIES PERFORMANCE**

### **2.2.1 Introduction**

The policies reviewed are public policies such as economic liberalisation, cultural policies, trade policies, competition policies on the one side and institutional policies, such as human resource management policies, financial policies and marketing policies, on the other. In this study, cognisance is taken care of due to that fact that it is difficulty to assess theatre policies using cost-benefit analysis methods. Cost-benefit approach is a hard line, monetised while theatre is soft and lots of intangible aspects. (Lepik, 2005)

### **2.2.2 Economic Liberalisation**

#### *2.2.2.1 Expected Benefits of Economic Liberalisation*

Liberalization of trade and exchange policies in Uganda within the structural adjustment processes and programmes was meant to bring about reforms among others, establish a market-determined exchange rate. It was to bring fiscal deficits under control and rationalize public investment. Liberalisation was to allow the entry of new participants (domestic or foreign) into the market could induce a more effective working of the mutualisation and risk spreading process and possibly increased capacity to underwrite local risks foreign participation could bring additional capital and expertise, and encourage investment in theatre industries.

Mubazi (2000) outlines the major policy bundles in the stabilisation and structural adjustment policies, demand management, structural and institutional policies. On the Structural Policies- and especially, the trade liberalisation policy- which is the core of this

study, explains among others, the purpose of the policy in reduction of tariff (a) high tariffs keep economic incentives biased towards import substitution at the cost of export expansion, and (b) implementation of a flexible exchange rate policy, (c) Currency devaluation to allow exports remain competitive thereby improving the balance of payments position. (d) Encouraging unification of parallel and official foreign exchange markets (Mubazi, 2000:5). Shows how Uganda implemented this programme (ibid, pp.6-56). He concludes that Alistair Boyd ranked Uganda the 6th of the 20 fastest growing economies, after Economist Intelligence Unit rated its GDP at US\$ 6 million, and growth rate at 6.00 per cent (World Outlook, 1999, cited in The New Vision Internet Edition, 15 January, 1999 and also cited Mubazi, 2000). He however hastens to challenge the authenticity of the statement basing on revelations from other sources, such as Uganda National Human Development Report 1999, and Tumusiime Mutebile Report of 1999; both of which contradict the impression made.

#### 2.2.2.2. *Possible Pitfalls of Liberalisation*

However, it is noted that competitive pressure may lead some insurers to turn to unsound practices (uneconomic pricing, cash-flow underwriting...) In order to obtain market shares, insolvencies are more likely to happen (should insurers be "allowed to fail"?), foreign participation poses questions in terms of consumer protection particularly in regards to the form of, participation (branch/subsidiary) and security assessment, in a first phase, competition distortions may appear because of imbalances in the market structure (competition can only be established among equals), more generally with the opening up

of economies, investment markets may become more volatile, causing short-term and potentially long-term problems for insurers in their asset/liability matching.

Benin (2004) looking at the agricultural sector, notes that developing countries like Uganda, adopting market liberalisation policies, in addition to heavy farm subsidies in industrialised countries, exposes developing economies to highly competitive global market. He concludes that appropriate policies and institutions that will enhance the competitiveness of smallholder producers are particularly needed to catalyse and deepen the process of agricultural and economic transformation and poverty reduction. In the same area of agriculture in Uganda, many studies are done to evaluate the role of Agricultural market liberalisation in process facilitation and service delivery (Serunjogi et al, 2003; Serunjogi et al, 2004; Ferris et al, 2004). There is however, no literature on evaluating the impact of Liberalisation on theatre industries or cultural industries in Uganda.

### **2.2.3 Trade Policy**

A description of the contribution of cultural activities to GDP, is given, which emphasizes the importance of entrepreneurs and small and medium sized enterprises (SMEs) within the cultural sector, for example in Iceland their contribution to GDP amounts to 4%, which is considerable in comparison with other industries. They conclude that the role of entrepreneurship is extremely important in cultural activities in most societies. Cultural activities are an important factor in most economies. This study pursued a related perspective in arguing that entrepreneurship and innovation and with the support of public policy are closely related and complementary, and focusing on the

arts, in particular, the performing arts, music and literature. The Uganda National Trade Policy (2006: 9) acknowledges that there is lack of coordinated, complementary and support policies of the effectiveness of trade policies. Notes that taxation and fiscal policies currently used as instruments for revenue generation, whereby, trade policy will provide trade policy coordination mechanism. Uganda is a signatory to, an number of trade related institutions and agreements, such as the EACCU, COMESA, ACP/EU, Cotonou Partnership Agreement and the World Trade agreement (WTO). The Trade policy also shows that Uganda is a beneficiary of non-reciprocal unilateral trade preferences such as Everything But Arms (EBA) by European Union, The African Growth Opportunity Act (AGOA) of the United States of America and Canada, Japan and China under the Generalised System of Preferences (GSP). All these arrangements give Uganda wide-ranging opportunity for improved market access at varying levels. The country further benefits from relations with World Bank, International Monetary Fund (IMF), the Common Fund for Commodities, the Multilateral Guarantee Agreement, the Establishment of the African Economic Community and the New Economic Partnership for Africa's development (NEPAD), etc. This shows a very wide infrastructure for trade linkages and system. The Policy further describes the policy actions against each policy objective. It does not stress enough the importance of research as a means of developing and improving new trade avenues and options. In its situational analysis it recognises the significant contribution of services into the economy of the country.

#### **2.2.4 Cultural Policy**

Einarsson (2001) shows how cultural activities within an economy lead to economic growth and higher living standards. Increased cultural activities, especially by SMEs and

entrepreneurs, can be achieved by strengthening the school system in the field of culture, especially fine arts. This has a twofold effect. First, it increases the knowledge of culture among the population and, second, it expands the interest of young people who will later participate actively as professionals in cultural activities. The school system is often used as a means of securing equality as regards the art and artistic work of young people with different economic backgrounds. In some countries, it is concluded, that public authorities have supported programs either by direct subsidies or through the tax system, e.g. by granting tax discounts to enterprises which support cultural activities in Iceland (Schuster 1999; Einarsson, 2001). Culture, in the past two decades, has become increasingly important in the economy of advanced post industrial urban areas. This can be seen from the volume of research into the analysis of arts as an economic sector and cultural policy. Its results conclude first of all that arts are a significant and often a dynamic part of the regional economy (Hummel et al, 1988; Myerscough, 1988; Fohrebeck and Wiesand, 1989; Archiv Fur Kulturpolitik, 1991/92, cited in Dziembwska-Kowalska, and Funck, 1999) Omare-Okurut, (1988) outline the need for cultural policy in Uganda, noting how other cultural policies in Europe are functioning. He recommends that government should formulate a cultural Policy that will take care of theatre industry. The National Cultural Policy of Uganda defines performing arts to include dance, drama, music, theatre, motion pictures, opera, traditional sports, and the marching arts such as brass bands (National Cultural Policy, 2006:3) the policy outlines the various ways performing arts are put to in Uganda. It also indicates the main sources of support for the performing arts. But indicates that it offers employment opportunities, economic development and income at all levels as well as protecting and enriching cultural values,

creativity and expressing and conveying messages (National Cultural Policy, 2006:16, 17) and therefore that cultural industries shall be promoted, protected and developed. The policy adds a section on the intervention areas, which are broad and fairly exhaustive. It falls short of specifically mentioning and providing for theatre industries, and spelling out actions of intervention in that regard.

### **2.2.5 Competition Policy**

Theoretically, the higher the degree of competition in an economy the better will be the efficiency of its resource allocation, production, and employment. Until very recently, not many developing countries had not realised the importance of competition. (UNCTAD, 2005). The Constitution of The Kingdom of Thailand provides for protection of trade from direct or indirect monopolies and to ensure fair competition. The current law, The Competition Act of 1999, repealed the laws: the Price Control Act and The Anti monopoly act of 1979. It improves provisions relating to anti-monopoly and those of price control provisions. The purpose of this law is to prevent monopoly, restraint of business competition and lead to the promotion of free competition and prevent unfair business practices (Section 87 of Chapter V- Directive Principles of Fundamental State Policies, cited in UNCTAD, 2005).

In Kenya, Competition Law and Policy are new (Muchoki Njoroge, UNCTAD, 2005) In Uganda; the policy on competition does not exist, nor is there law to that effect. However it is acknowledged in the trade policy that policies and laws on competition and consumer

protection will be implemented. (National Trade Policy 2006:) and that it will maintain liberal trade policy while enhancing capacity to manage a liberalised economy.

## **2.2.6 Market Structure Analysis**

### *2.2.6.1 Global market*

Entertainment services can be considered an export industry, especially in the case of music and theatre (performing arts.) An industry can be conceptualized into two broad categories, one, where the product is sold in the place of production that is the customer consumes the service by coming to the country in which it is produced. For example, music festivals, and visual spectacle staged periodically in a year. This is a kind of tourism related product. In the other export category, is where the product is sold in the foreign export market as an audio recording or live performance? This market, which may seem at first, as an ethnic niche may become more universal in character (Borne and Allgrove, 2004)

In The Caribbean, Trinidad and Tobago, exports of Music services in gaining its full potential. The global market is immense, growing and becoming more diversified geographically, for example, 1994, an estimated US \$ 24 billion was secured out of world sales of recorded music (Bourne and Allgrove, 2004). In Iceland cultural industries account for 4 per cent of the GDP, which is considerable in comparison with other industries? (Einarsson, 2004). In 1996, cultural products, that is, music, film, Television, software and books, was the US's Largest single export sector, overtaking for the first time all the traditional sectors such as automotive, weapon, aerospace and agriculture industries (Nielsen, 2004)

#### 2.2.6.2 *Local Market*

Local Market in terms of theatre audiences demands a lot. Few studies have addressed this particular area and in particular, the local market of theatre industries. Kamanyi (1982) also addressed the Uganda audiences. Zawedde (2000) gives some key important features that attract the public to theatre show in Kampala. Among them, the presence of celebrities in the performance, topicality of the show according to the title, and venue of the performance. Of course she mentions that there are sometimes ulterior motives that actually bring some people to theatre Hill et al (1999) names other elements that attract an individual to theatre show, like the comfort of the place, ticket price, have time out and convenience of parking facility. What do hotel guests want in their rooms? El-Bakri et al (2002) asserts that increased standards in room amenities. In-room coffee maker, premium TV channels, high speed internet and nice bottle shampoo among others, will attract customers to the hotel. While the business of hotel is different from that of theatre, the commonality is in the fact that both are services, both depend on clear assessment of the situation before setting up of the industry.

### **2.3 CHALLENGES CAUSED BY INFRASTRUCTURE IN UGANDAN THEATRE INDUSTRIES**

#### **2.3.1 Networks and Alignments in Theatre Industries**

##### *2.2.1.1 Associations (local and International)*

Maskell and Lorenzen (2004) examine the way characteristics of the firm (like the choice of activities, products, processes, customers, strategy and organisational form) influence its preferred form of inter-firm governance and how this in turn reflects on the kind of

advantages obtained. They show network structures prone to continuous innovative outcomes can become dominated by project organisations where firms with highly complementary capabilities temporarily cooperate to meet predefined objectives within predetermined deadlines through a non-repetitious string of complex activities and a “team-like” inter-firm organisation. They compare and contrast their highly flexible network structures to the stable inter-firm relations found in the networks where cost-considerations play a pivotal role. They highlight the importance of task complexity, the level of risk and uncertainty and investigate how the balance between organisational drivers (incentives, motivations, reputation, career paths, and remuneration) and local institutions (social capital, general code books) may influence the degree of cooperation and network formation. These scholars select two significant European industries for study: the wooden furniture industry and pop music industry. Both are major creators of employment with volatile markets and high level of entrepreneurial activity. the music industry in particular contains networks of highly localized project “ecologies” co-existing with huge global multifunctional entities, each consisting of multitude of independently operating, even competing local firms with highly specialized capabilities and an often unique profile towards customers and suppliers. In Uganda pop music industry has already attempted this strategy. It is crucial to investigate to what level success has been achieved or been frustrated.

#### *2.2.1.2 Organisational Alignment and Institutional infrastructure*

Entrepreneurship and Innovation determine the configuration of the business organgram or organizational infrastructure. [Drucker \(1994\)](#) made an important contribution to the

theoretical construct of entrepreneurship in large organisations when he referred to “corporate entrepreneurship” or “intrapreneurship”. [Antoncic and Hisrich \(2003\)](#) argued that entrepreneurship goes on within organisations, regardless of their size. Intrapreneurship research has studied the individual intrapreneur, the formation of new corporate ventures, and the characteristics of entrepreneurial organisation ([Antoncic and Hisrich, 2003](#)). Drucker (1985) goes further to argue that entrepreneurship can be explained by changes in values, perceptions and attitudes; changes in demographics in institutions and education. Corporate entrepreneurship often refers to the introduction of a new idea, new products, a new organisational structure, a new production process, or the establishment of a new organisation by (or within) an existing organisation

#### *2.2.1.3 Joint Productions*

Hussain (2000) advocates for modalities and mechanisms through which SME’s could develop horizontal links between themselves and vertical linkages with larger manufacturing and service industries for increased market access, enhanced investment flows, skills development and technological advancements. He argues that such linkages would help overcome the constraints that are currently obtaining in the industries in African countries. And that as the global economy becomes more integrated and liberalisation and economic reforms take root in Africa, indigenous SMEs will have to network and build alliances to be able to survive and compete effectively. He concludes that by working together, firms can gain the benefits of collective efficiency, enabling them to link with larger producers and break into national and global markets. He also

adds that the key to success seems to be a customer-oriented focus, a mutually supportive approach, and a cumulative effort to ensure continuous, rather a discrete improvements.

### **2.2.3 Planning and Physical Infrastructure**

Physical infrastructure is key in selling a service-based industry. The planning, Beng (2005) contends, has been misunderstood or misrepresented. He argues that the worldwide pursuit of trade liberalisation and the promotion of investment has been the prevailing tendency for the last quarter of a century. He asserts that for the economy to be pursued successfully, a structural overhauling of governmental structure. He contends that planners and planning *must* recognize the new situation and switch their interests from the conduct of long term strategies based on the idea of a public interest to more ad hoc type of stakeholders and the facilitators of development. Concludes thus that planning is therefore reduced communication where the economic interests of investors and the developers are seen as *the* point of departure not as a particular issue among others to be modified and weighted in the balance with a more general notion of the public interest. It is acknowledged that with economic liberalization and the unlocking of new investment possibilities, accompanied by rising property prices and relative shrinking of affordable housing provision.

### **2.3.4 Legal Framework of theatre industries' Practice**

#### *2.3.4.1 Enabling Laws*

A study of "Copyright Law and Neighbouring Rights Act 2006," indicates that a deliberate move to protect theatre artists' intellectual property and also the performing

rights in related field is a significant step. The law still does not incriminate one who plagiarises one's work e.g. the music score, it does not take care of karaoke, Dikuula, or makeshift houses for videos. The law on stage plays and public entertainment has stayed not revised for many years now. As of now any body can form a group and stage anything for the public. No one knows who the performing artist is or evaluate the content. There is neither control nor monitoring of the works of arts on stage.

#### *2.3.4.2 Legal Status of the Theatre Firms*

There is no source yet about the legal status of theatre firms in Uganda. But a great majority of Theatre groups are not registered, and as such lack legal status.

## **2.4 CHALLENGES CAUSED BY STATUS OF CAPITAL IN THEATRE INDUSTRIES**

### **2.4.1 Capital**

#### *2.4.1.1 Access to Financial Capital*

Theatre industries have been left with some form of independence and the issue of managing quality has been left to individual artists and or the theatre industries themselves. With little or no government financing to theatre industries, it is challenging that the government should subject the industries to harsh taxation and other policies. Wilson and Stokes (2002) assert that access to finance may act as a barrier to growth for Small and Medium sized Enterprises (SMEs) this was in a study they conducted to study the extent to which access to finance acts as a barrier to growth for Small and Medium

sized Enterprises (SMEs) in the Music Industry. The study identified some potential difficulties such independence might lead to in creating beneficial exchange. Elements such as appropriate partnership, promotional strategies, effective communication skills, and financial self-sufficiency are highlighted in the light of uncertain environment. They conclude by arguing that the reconciliation of the entrepreneurs' independence on the one hand and with the qualities that allow mutually beneficial exchange on the other, is a primary requisite for effective cultural entrepreneurship.

#### 2.4.1.2 *Human Capital*

Until the 1980s Japanese companies expanded their markets by producing cheap and high quality products. In the 1990s, the Chinese companies have been improving the quality of their products through the rapid accumulation of both physical and human capital. Using low and rich labour resources and high quality equipment, Chinese companies have increased their competitive power in the global market (Yagi, 2005: 69) Theatre audiences want quality productions. Audiences want those performances, which will propel them into serious admiration of the art. The study examines the situation of art on stage and whether it has any relationship with the availability of physical and human capital.

Yagi (2005) investigates the market structure of culture and media industries in order to examine whether the artists and creators' quality is developed through market mechanism by analysing the labour supply behaviour of artists and creators. He argued that this is important because it addresses an important factor, namely, that competitiveness of the cultural and media industries is the quality of artists and creators. Whether the quality of

artists and creators is developed via market mechanism depends on the characteristics of the labour market of the industries.

While Musiitwa (2002) adds that there is need for professional training in theatre Business making. Sembera (1990, and Okanya (1993) the two studies show business potential for theatre as an industry. They conclude that ought to be managed by and on business principles. Kawenja, (1998) outlines the challenges of Pride Theatre, such as having problems of getting theatre groups to perform at their Theatre. The theatre groups are part of the team of suppliers for theatre hall. Other suppliers are Hardware shops, (supply timber, paint, scenery construction material etc...). He stresses more the technical theatre dimension of the firm, and does not provide a conclusion on the matter of entrepreneurship.

#### **2.4.2 Investment**

El-Bakri et al (2002) contend that before making any decision to build a hotel, it is imperative to assess the market and the financial feasibility of a hotel in order to determine the profitability. The elements to look at include: industry trends, location, market area, and competition, lodging demand, financial feasibility analysis, fair share and market share. It is true for theatre or cultural industries. It is only after these analyses are made that design team proceed with planning and execution of the design.

## **2.5 ENTREPRENEURIAL CAPACITY TO HANDLE CAPITAL AND INFRASTRUCTURE**

### **2.5.1 Institutional Policies**

Many of the theatre firms and organisations visited and interviewed did not have written down policies. The organisations like National Theatre have general policy on staff's terms and conditions of service that is comprehensive and covers a range of aspects. But does not cover marketing policy, nor does it reflect enough on financial mobilisation.

### **2.5.2 Entrepreneurship and Innovation**

#### *2.5.2.1 Marketing Skills*

The entrepreneur paradigm can be traced back to the 1930s when [Schumpeter \(1934\)](#) first attempted to establish a linkage between entrepreneurs and innovation in theory, and viewed the entrepreneur as innovator. He maintained that innovation contributes to the growth of the economy because entrepreneurs produce innovations. The concept of the entrepreneur as innovator underpins the entrepreneur paradigm in which the role of the entrepreneur is highlighted in the innovation process. According to this paradigm, only a person who founds a new company on the basis of a new idea can be called an entrepreneur. Entrepreneurship is viewed as a creative act and an innovation. Entrepreneurship is about creating something that did not previously exist. The creation adds value to the individual and the community, and is based upon perceiving and capturing an opportunity ([Johnson, 2001](#)). Bygrave and Hofer (in [Legge and Hindle, 1997](#)) held similar views. They regarded entrepreneurship as a change of state, a dynamic process, and a unique event. [Legge and Hindle \(1997\)](#) believed that people who lead teams and organisations to introduce innovations are entrepreneurs. Entrepreneurs seek

opportunities, and innovations provide the instrument by which they might succeed. Moreover, innovation has to address market needs, and requires entrepreneurship if it is to achieve commercial success ([Zhao, 2001](#))

#### 2.5.2.2 *Management Skills*

Casey, (1999) discusses the employment and training challenges in the cultural sector in the UK.. he argues that it is difficult finding people to occupy senior positions who possess both artistic and management skills. That a concentration on either side attracts criticism- at one extreme, of “philistinism”, and at the other, of “profligacy”. He contends that a management that suffers from either of these weaknesses undermines the legitimacy of the institution and the public becomes less willing to pay taxes to support it and the government finds it easier to cut the allocations made for it.

Few studies have been conducted about National Theatre as an enterprise in theatre business. These studies were done much before the liberalisation policy came into effect. National Theatre acknowledges its predicament about the need to adjust to the market pressures, while the government no longer gives it subvention (National Theatre records, 2003). Pride Theatre. The managers and Directors of theatres have expanded on the range of services, programmes and activities that aim at broadening the financial resource base. (Kawenja, 1998)

### 2.5.2.3 *Organisational Behaviour and Culture*

“Entrepreneurship”, in its narrowest sense, involves capturing ideas, converting them into products and, or services and then building a venture to take the product to market” ([Johnson, 2001](#), p. 138). Scholars have referred to *entrepreneurship* using names, such as ‘adventurous’ risk-taking’ ‘thrill- seeking’ innovating’ and others, (Gupta and Srinivan, 1993). The term itself is derived from a French root, which means to ‘undertake’. A noticeable trend in the study of entrepreneurship in recent years has been away from the subject of small business *per se* towards the concept of entrepreneurship ([Cornwall and Perlman, 1990](#), [Chell, 2001](#)). The present study reflects this trend by emphasising the concept of entrepreneurship itself, rather than the personality or psychology of small business entrepreneurs. Entrepreneurship represents organisational behavior The key elements of entrepreneurship include risk taking, proactivity, and innovation ([Miller, 1983](#)). However, [Slevin and Covin \(1990, p. 43\)](#) have argued that the three elements are not sufficient to ensure organisational success. They maintained, “A successful firm not only engages in entrepreneurial managerial behaviour, but also has the appropriate culture and organisational structure to support such behaviour”

The review also touches on cultural issues because they have a profound influence on the development of entrepreneurship and innovation ([Herbig et al., 1994](#)). The literature also links the interaction between these two and public policy. In the study, entrepreneurship includes corporate entrepreneurship and intrapreneurship.” The present study adopts a similar approach and treats entrepreneurship as organisational behaviour that is related to

change and innovation. There has been no consensus in defining entrepreneurship and innovation in the existing literature

Einarsson (2000) defines Culture, as any human behaviour or activity passed from one generation to the next, which describes, creates, preserves or transmits emotions or surroundings of human society, consisting of languages, beliefs, ideas, customs, arts, sports, or other related aspects, is the subject of cultural economics (Frey, 2000; Held *et al.*, 1999; Bendixen, 1998; Peacock, 1994). UNESCO has defined culture for the purpose of international economic statistics (Haydon, 2000), dividing the concept into nine categories: cultural heritage, printed matter and literature, music, performing arts, audio media, audiovisual media, social activities, sports/games and environment/nature. National culture and organisational culture have a profound influence on the level of entrepreneurship and innovation in organisations. Culture is a primary determinant of entrepreneurship and innovation (Herbig *et al.*, 1994). Hofstede (1980) and Slevin and Covin (1990) emphasised the importance of an appropriate organisational culture in developing effective entrepreneurial and innovation behaviour to address market dynamics. It is apparent that cultural issues should be addressed when examining the level of entrepreneurship and innovation in Ugandan theatre industries.

Technological innovation has for more than half a century, attracted research and development (R&D) (Miller and Morris, 1999). Invention is the narrowest definition of innovation. Drucker (1994) maintained that there are seven basic sources of opportunities to innovate. Only one of them is to do with inventing something new. Innovation is thus

more than invention, and does not have to be technical. There are numerous examples of social and economic innovations ([Drucker, 1994](#)). Innovation is a proposed theory or design concept that synthesises extant knowledge and techniques to provide a theoretical basis for a new concept ([Sundbo, 1998](#); [Bright, 1969](#)). Innovation thus has many facets and is multidimensional. The most prominent innovation dimensions can be expressed as dualisms, namely, radical versus incremental; product versus process; as well as Administrative versus technological ([Cooper, 1998](#)). Innovation can be radical *and* incremental. Radical innovations refer to path-breaking, discontinuous, revolutionary, original, pioneering, basic, or major innovations ([Green et al., 1995](#)). Incremental innovations are small improvements made to enhance and extend the established processes, products, and services. However, this contradistinction does not “necessarily [correspond] to the more fine-tuned reality” because “radicality is a continuum” ([Katila, 2002](#), p. 307). Product innovation, as the name suggests, “reflects change in the end product or service offered by the organizations, [whereas] process innovation represents changes in the way firms produce end products or services” (Utterback cited in [Cooper, 1998](#), p. 498). Some researchers have categorised innovation into technological and administrative innovations. Technological innovation is about “the adoption of a new idea that directly influences the basic output processes, [whereas] administrative innovations include changes that affect the policies, allocation of resources, and other factors associated with the social structure of the organization” (Daft 1978 cited in [Cooper, 1998](#), p. 497).

### **2.5.3 Competitive Advantage**

#### *2.5.3.1 Introduction*

According to Mirembe-Ntangaare (2001), theatre is riddled with internal managerial, organizational, financial and scholarship challenges she concludes that more government involvement is needed and that artists need to train in theatre. This study was not focusing on policy and competition and nor did it treat the concept of entrepreneurship nor innovation in depth.

Liberalisation in itself requires a new set of skills, for example, liberalisation of rate setting (for insurers) implies new underwriting skills. - Liberalisation of investment regimes requires new investment skills, increased demands from supervisory authority for information (returns, on site inspections, complaints,...) makes it necessary to change/restructure information flows and acquire new communication skills.(Goergen 2001). A similar requirement will be critical to theatre industries.

#### *2.5.3.2 Competitive Advantage*

Competitive advantage is a fundamental requirement and objective or even philosophy an organization needs for business (South, 1981). It is argued that although it may not in itself be sufficient to make an above-average performance in the long run, but it is a necessary prerequisite (Coyne, 1985, Porter, 1985, Day and Wensley, 1988). It is frequently referred to in many of the Business Management Literature (McNamee, 1990). On the other hand, the loss or absence of competitive advantage is a strong indicator of the corporate demise and ultimately failure (Cravens, 1988). The greatest challenge about competitive advantage is its definition: Fahey (1989) defines competitive advantage as

“anything that distinguishes a firm or its products from those of its competitors in the eyes of its customers or end-users”. This definition has been criticised for its failure to incorporate the many assets and skills, which have generated those items. And instead stresses those visible aspects. Kogut (1985) however, provides an alternative definition of competitive advantage as “firm specific advantage”.

Prior to Porter, business policy/strategy was not well grounded in any of the disciplines. In Porter’s ‘Competitive Advantage’ Framework, Porter's contribution was to base the analysis of management strategy on industrial organization, a branch of economics concerned with the performance of industries as a function of their competitive characteristics. His approach stresses the importance of the external environment, notably the competitive situation within industries. At the firm level, three basic competitive strategies, cost-leadership, differentiation, and focus, are identified. The need to decide clearly between cost-leadership and adding to value through differentiation is stressed. A crucial notion is that it is industries, not nations, that compete globally, and the economic performance of a nation ultimately depends on how successful its industries are at achieving global dominance.

#### *2.5.3..2.1 Price Competition*

Theatre is one of the services where the change price does not necessarily lead to increase in demand. It does not respond to price elasticity of demand (Allen et al) Kellerman and Kellerman (2001) show that marketing mix and the product is one of the 4 Ps along with Promotion, Price, and Place. Some times price cuts in theatre tickets for the show are a

result of a strategy to negotiate different ticket rates for the audience. A show ticket may range from 3,500 Uganda shillings (about US\$ 2) to 5,000 Uganda shillings (about US\$ 3) depending on what day of performance it is. It can also be a response to social status of the intending customer, where if “seen” to be poor, the concession will be effected for that particular customer (Mirembe-Ntangaare, 2000: 244)

#### *2.5.3.2.2 Service Quality and Customer Care*

Kellerman and Kellerman (1994) show that design is part of any physical product and good design can be a key to product success. There are indications that business is growing increasingly aware that design sells and that design is a key competitive weapon of the 1990's. They argue that a good design attracts consumers to a product, communicates to them and adds value to the product by increasing the quality of usage experiences associated with it (Bloch, 1955). They conclude that a good design may, in fact, not only make a specific product more successful, but may make it a classic which in effect can greatly extend its life cycle.

## 2.6 THEORETICAL/ CONCEPTUAL FRAMEWORKS

### 2.6.1 Theoretical Framework

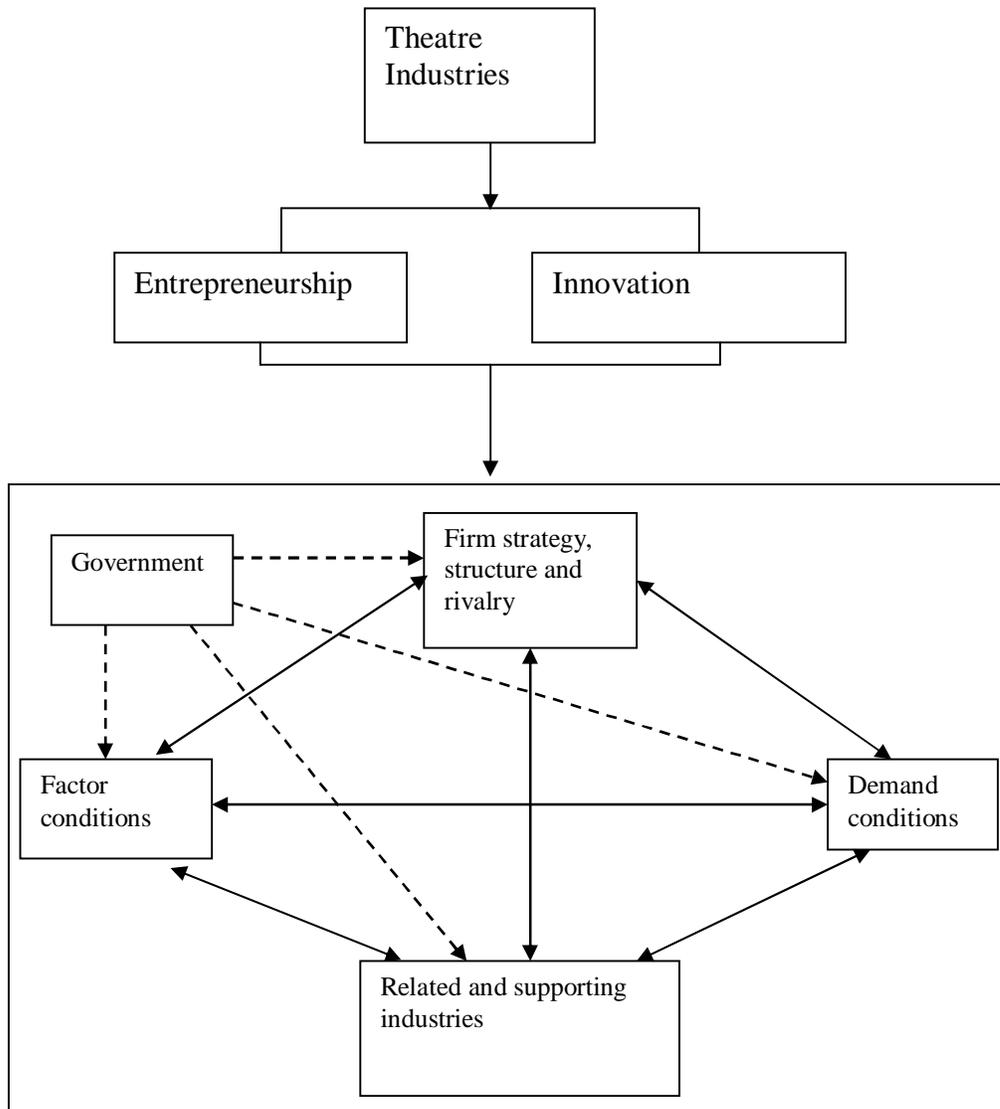


Figure 1: Porter's Diamond Model (Porter, 1980).

The theoretical model was borrowed from two sources, namely, Porter's Diamond model, and Herbig *et al.* (1994 pp. 37 and 45) who contend that Innovation requires three basic components: “the *infrastructure*; the *capital*; and the *entrepreneurial capacity* needed to make the first two work”. They in turn argue that innovation is the specific tool of

entrepreneurship by which entrepreneurs exploit change as an opportunity for a different business or service. Porter's Model was used to describe the Music industry in Iceland. Porter, on the other hand, in Figure 1, outlines important elements such as labour, natural resources, capital, knowledge, human resources, organization, technology and institutions. He emphasizes that for the music industry, qualified employees and capital are of the greatest importance. Unskilled labour, for instance, is not common in the music industry.

Demand, which is shown on the right in Figure 1, is somewhat special in the Ugandan music industry, as the domestic market is small. From a small, but professional domestic market, however, advances can be made into foreign markets, and there are several examples of this in Uganda. There are already number of Ugandan musicians who have made themselves known and famous outside Uganda

Related industries and supporting industries, shown at the bottom of Figure 1, include music teaching and the media. Music teaching in Uganda (especially classical music appreciation) is quite a strong sector in Uganda but reinforcing it would undoubtedly strengthen the music industry still further and even introducing the teaching of jazz music would strengthen the pop music industry. As regards strategy structure and rivalry, shown at the top of the figure, it is apparent that the financial market is weak in the music industry and it is difficult to obtain financing for new ideas e.g. through stock market. It is also of relevance here that jobs in the music industry are not very easily identifiable or respected in the Labour market and are widely regarded as low-income jobs, which is

accurate to a considerable extent. Porter argues that competition in the music industries can help others and promote increased efficiency and greater creative energy within the industry. The principal advantages in the environment of the music industries are well educated employees, but the principal weakness is the small domestic market, which nevertheless can be used as a platform for cross-border expansion, since, as it happens, the people in the domestic market are quite enlightened and demanding illustration which means that the government can impact individual factors of the model directly. It is important in this context to employ the arm's length principle, i.e. the attitude to art and culture that politicians should only engage in providing the capital, but not utilizing it. The key factor lies in the middle of the model, which shows the extent of the competition between enterprises within the industry. Competition between enterprises is usually extensive in most fields of the music industry.

The entry of new stakeholders in the music and theatre market is possible. Barriers to entry are usually weak. This does not apply, however, to the parts of the market that require substantial capital investment, such as opera houses and concert halls. Analysis using this model to uncover competitive advantages can result in the conclusion that building upon a weak foundation in some area can later, by decisive measures, prove to hold potentials for competitive advantage.

This hybrid has been developed in order to frame the theoretical underpinning for this study, which recognises the limitations of the two theoretical leanings. They, both do not recognise the phenomenon of competition and the impact of liberalisation policies in developing countries, in particular infant service industries. The study therefore,

establishes its niche in the framework stipulating the importance of having a strong resource base, assets and skills, as well as being sensitive and responsive to competition and liberalisation policies and market forces. To do this, the litmus paper for the industry, is the evidence of competitive advantage that calls for competitive intelligence.

### 2.6.2 Conceptual Framework

Basing on the above theoretical background, the study used artists and managers' understanding of three areas, namely, infrastructure, capital and entrepreneurial capacity to handle infrastructure and capital. The various conceptual links that were assumed to exist between economic liberalisation and the quality of business performance output were summarized the diagram below. In effect this was the guiding conceptual framework for the study

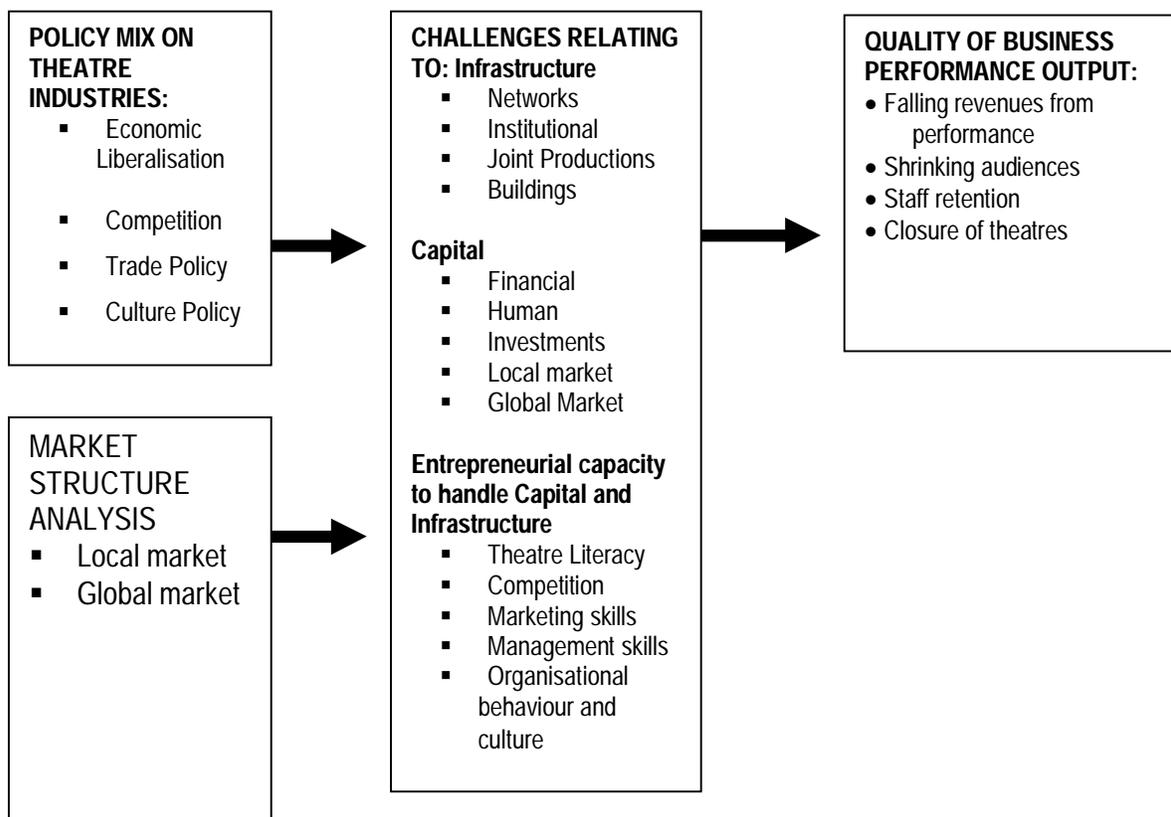


Figure 2. Challenges Facing Ugandan Theatre Industries in Liberalised Economy  
The Conceptual Framework

The conceptual framework comprises the three areas. The first box carries the Policy Mix as a factor influencing theatre industries directly. This is the antecedent variable, providing the basis for the study. It covers liberalisation policy, competition policy, culture policy and trade policy. All these aspects need to be investigated in order to identify the relationship between the government and the industry.

The second box covers the elements that make a business viable according to this study, namely, capital, infrastructure and entrepreneurial capacity to handle both infrastructure and capital these have constituted the core of the investigation.

The third box is about the possible outcome of trade liberalisation policy, both positive and negative.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 INTRODUCTION**

Under this chapter, the major methodological aspects of the study are presented; these include the research design, instruments and data management aspects. The selection of study participants and methods of eliciting information are presented and justification for choices made.

#### **3.2 RESEARCH DESIGN**

The research design adopted for this study is cross-sectional study design. This was selected because of the need to capture a diverse opinion about the phenomenon of competition and views about the effect of liberalisation policies on theatre industries. The qualitative methods of research were applied. The study relied on the phenomenon of competition.

#### **3.3 AREA OF STUDY**

The study will be conducted in Kampala District. Mukono and Wakiso Districts border Kampala. Kampala is the capital city of Uganda. It has five Divisions: Nakawa, Rubaga, Makindye, Kawempe and Central. Kampala has been selected because much of the commercial activities are done here. There is a concentration of both the industries and governmental institutions. Commercial theatre is mainly in urban places. The biggest clientele of theatre shows are in Kampala area. National theatre, Pride theatre and Bat

Valley theatre, Theatre Labonita and Ndere Centre are all located in Kampala. International singers and theatre professionals stage their shows in Kampala.

### **3.4 STUDY POPULATION**

The 1999 population census places the population to about 2 millions. Trade, Commercial and Public Administration predominantly occupy the area. A lot of leisure options are available. There are about 14 theatre halls, 6 cinema halls, 13 Night clubs, 4 sport stadium, 38 Hotels and restaurants, 5 television channels, over a hundred radio stations (both FM and others), 7 Newspapers. Most of leisure activities are on weekends and also on weekends are weddings and introduction ceremonies, parties, weddings and church meetings.

The general population of potential audience to theatre is about 4000. Of the same audience; National Theatre seats about 377 people, Pride theatre about 600, Bat valley 400 people, Ndere troupe 1000 people and the rest go to Nile theatre, Bristol Bar, Happy Hours Bwaise, Eden Service Park, Didi's world, Gaba Beach, Speke resort Beach, Nile Hotel Gardens etc.

The study focused on the five theatres namely; National Theatre, Pride Theatre and Pearl Theatre, Cooper Theatre and Ndere Centre. The study consisted of both intellectuals, like University lecturers from specialist disciplines such as Music Dance and Drama, Business Studies, Political Science and practitioners like theatre Managers, artists, film and cinema managers, as well as policy makers and policy implementers, ministry and government

officials. A portion of the study was devoted to eliciting opinions from the public who make up the market of potential market for theatre industry.

### **3.5 SAMPLE SELECTION AND SIZE**

Five theatres, National Theatre, Pride Theatre Pearl Theatre Cooper Theatre, and Ndere Centre were purposively selected this represented the theatre industry, Musicians constituted the Music Industry, drama Groups for Drama Industry, Dance Troupes for Dance Industry, Cinema represented the Cinema and film industry. National Theatre represents public enterprise or Parastatal of government; Pride theatre, private theatre, Pearl Theatre, once a private theatre but collapsed. A sampling frame consisting of theatre groups in Kampala was constructed and simple random sampling was used to select 10 theatre groups for each of the industries indicated above, whose leaders were interviewed. 20 Key informant (KI) interviews were held with theatre managers, artists and other entertainment service providers. 10 K.I.s were conducted for policy makers and implementers and government officials.

Sample selection for Ministry official in Ministries of Gender, Labour and Social Development, Finance, Planning and Economic Development and Trade And Industry was purposive. Others purposively selected are an assortment of professionals.

Systematic random sampling will be used to select 100 theatre artists and 100 from the public audience. The total survey sample will be 250 respondents.

Four focus groups will be recruited consisting of the following:

- (a) A business man I private enterprise (especially those in entertainment industries).
- (b) Leaders and managers of theatre groups
- (c) Leaders and managers of theatres
- (d) Performers, dancers, singers, actors and play wrights
- (e) Policy makers and Government officials.
- (f) Theatre audiences.

**Types of samples and methods used.**

Table 3 a showing the structure of instruments and target respondents

<u>Semi-structured</u>	<u>In-depth interviews &amp;</u>	<u>FGD</u>
<u>Questionnaires</u>	<u>Key Informant Interview</u>	
Audience	Policy makers	Business man
Performers	Theatre managers Staff representatives Lecturers Ministry Officials Audience representatives	Theatre managers Policy makers Audience representatives
100 participants	25 participants	4 Groups of 30 persons
100 audiences	25 participants	

### **3.6 SAMPLING PROCEDURE**

Purposive Sample Selection: this method will be used to target key informants, such as top managers of theatre institutions under the study, government officials directly responsible for theatre, and academicians in the field of theatre.

#### **3.6.1 Selection of Theatre Industries**

Purposive Sampling was the method used to select all major theatre industries most of which are based in Kampala District. Five theatres were selected purposively in order for an in-depth study the challenges these theatres faced before liberalization and what they face now at the neo-liberalisation era, and what coping mechanism are available to them. Others selected under this approach were the officials from ministries linked to, or associated with theatre enterprise such as Gender, Labour and Social Development, Finance, Planning and Economic-Development and Tourism, Trade and Industry

#### **3.6.1 Selection of Respondents**

Stratified purposive Sampling was used to identify artistes whereby a sampling frame was constructed for theatre artists and theatre groups. Accidental sampling was used to select existing and potential audiences

### **3.7 DATA COLLECTION**

Data will be collected in the following methods:

#### **3.7.1 Semi-structured Questionnaires**

Semi-structured questionnaires will be used to collect data from theatre artists and audience.

The results will be coded, analysed and presented.

### **3.7.2 Interview guides for Key informers**

These will be used for Key informers. The same will be used for in-depth interviews where the outcome will be analysed and coded and presented.

### **3.7.3 Focus Group Discussion Guide**

Four Focus groups will be conducted. One group will address the liberalization as a policy and its effects broadly, then focus on liberalization and theatre industry secondly, to brainstorm the structural adjustment and macro-environmental factors and thirdly, competition, internal Theatre structures

### **3.7.4 Documents**

Documents from individuals, library and archives will be studied. These will cover information on records of performance, research work and publications on structural adjustment programmes in Africa, Uganda and Theatre Management Publications.

### **3.7.5 Internet**

Internet sites will be visited to download information on theatre management in the various areas of the world. Information on audience behaviour and modern theatrical trends in both developed and developing countries for comparative analysis.

### **3.7.6 Observation**

Observation methods were used get data about the performances especially relating to conflict and confusion on clashes either arising out of competition or an individual advertising oneself in two or more programmes at the same time different distant venues.

### **3.8 PROCEDURE FOR DATA COLLECTION**

The researcher obtained authorization to conduct the study from relevant authorities, starting with Uganda National Council for Science and Technology. The letter was presented to Local Government Officials (The Resident District Commissioner) for Kampala District. The researcher then went ahead to introduce himself to relevant authorities that were the target of the study, such as the leaders of Theatre Groups, Theatres and institutions who in some cases would introduce him to other experts for interviews.

### **3.9 DATA ANALYSIS**

The study was mainly qualitative study, the analytical process began before data collection, and tentative themes and sub themes were identified. The tentative themes and code categories were either confirmed or new ones formulated during data collection process. After data collection, information of the same code categories were assembled and ongoing data collection (sequential or interim analysis). It allowed the researcher to check and interpret the data he was collecting continually and to add to the tentative conclusions based on the data already collected.

The first stage in the process involved annotating or marking up themes in the field notes or interview scripts in order to generate and / or develop analytical categories and theoretical explanations. The categories were derived inductively, that is, they were obtained gradually from the data by identifying the themes and / or categories and attempting to verify and qualify them by searching through the data.

All the data relevant to each category were identified and examined using a process called constant comparison, in which the each item was checked or compared with the rest of the data to establish analytical categories. These categories were further refined and reduced in number by grouping them together. The analytical categories were used to describe and explain the challenges theatre industries face in a liberalised economy. The reporting of data has been done through direct quotation and description of situations through which people's feeling and expression of opinion were revealed.

### **3.10 RESEARCH BIASES AND HOW THEY WERE DEALT WITH**

1. The researcher is aware of the “native effect” as formerly a member of staff of National Theatre, and a teacher of theatre therefore the researchers’ “etic” was bracketed.

In an attempt to minimize research biases, the researcher undertook the following steps:

1. The methodological framework of the study was designed in such away that it allowed for an interpretation that comes out of interaction and intersection between the reality of the researcher and the researched. Through the process, the researcher was aware of his bias entering into data collection and analysis and he took some possible measures to monitor his bias and subjectivity, for example he used a research assistant to obtain data from the respondents in the city
2. The researcher also combined the results of several different studies dealing with the same question

3. He also used systematic methods and procedures including triangulation, to further minimize the researcher biases and subjectivity.
4. Interview guides and Discussion Guides (see appendices) were designed in a way that sought to gain more highly detailed, and individual responses in the subjects' own words, rather than limiting them to responses (even topics) that the researcher had predefined.
5. The availability of essential documents and statistics, since some of this information is not recorded in accounts and where there is no theatre archive, different theatres had their own records
6. Records readily made available to the researcher on request.
7. Information on finances was not particularly needed; therefore it did not create a big problem.

## CHAPTER FOUR

### FINDINGS

#### 4.1 INTRODUCTION

In this Chapter, Findings concerning the challenges faced by theatre industries in Uganda are presented. It is divided into major sections with subsections following each according to specific objectives. The study sought to investigate the following elements of enterprise performance in particular a cultural industry or theatre industry, namely challenges brought about by the new market realities. This was achieved by reviewing the existing public policies with a view to understanding the effect of liberalised policy on theatre industries as was indicated in specific objective (1). In specific objective (2) Examining the infrastructure related challenges of theatre industries in liberalized economy. (3) Examining the challenges relating to the availability of capital and (4) Assessment of Theatre industries' capacity to handle both capital and infrastructure

Specific objective (1) introduces and discusses the public policy impact on infant industries with special focus on theatre industries. This represents the external forces from the government in terms of policies, and competition from private sector especially the entertainment sector. This therefore examines the new market realities. Specific objectives 2, 3, and 4 look at infrastructure of theatre practices in Uganda and theatre industries' status of capital in the context of liberalized economy with special interest in understanding and assessing the ways in which theatre industries are adaptable to the forces of the *new market realities*. By assessing theatre industries entrepreneurial

capacity to handle both capital and infrastructure the study aims at revealing the internal strengths and weaknesses.

## **4.2 REVIEW OF RELATED PUBLIC POLICIES AND THEIR INFLUENCE ON THEATRE INDUSTRIES' PERFORMANCE**

### **4.2.1 Introduction**

Selected policies were reviewed with the focus of identifying any effects on the performance of theatre industries. They were examined in as far as they interact directly or indirectly with theatre management and in relation to their role and influence in theatre industries. The policies selected are economic liberalisation policies, trade policy, cultural policy, and competition policy. The treatment of this area is in as much as it relates to theatre industry or cultural industry or service industry, but dealing with young and budding industries.

### **4.2.2 Economic Liberalisation Policies**

Two competing viewpoints, protectionists, and pro-traders, differ sharply on the efficacy of trade liberalisation. Protectionist scholars argue that trade liberalisation is detrimental to growth and could lead to deterioration if adopted by developing economies. The New development theorists contend that openness stimulates technological change by increasing domestic rivalry and competition, leading to increased innovation; and, that trade liberalisation by allowing new goods (and services) to flow freely across national borders increases the stock of knowledge for technological innovations, which spur growth (Mwaba, 2000). Theatre industry like any other industry must be able to adjust to

new market realities. Collin Gallighan, a British Council Seminar Marketing Expert described the current marketing environment as

**Volatile; with very dynamic games that are changing but the game itself is changing, the world is challenging and the implication for business is getting tougher.**

Placing theatre industries in the context of competition is vital, because trade liberalisation brings to mind “competition”. Competition also in turn brings forth, competitive advantage. Firms therefore do seek to establish a competitive advantage as the fundamental objective or even philosophy (South, 1981) of the business. This assures a firm’s strategy of a survival above average performance in the long run. It is a necessity (Coyne, 1985; Porter, 1985, Day and Walley, 1988). Artists complained of harsh taxation policy, which does not take into account young industries.

**We are subjected to the same harsh taxation obligations like the huge industries and manufacturing giants. It does not provide any incentive for nurturing young industries.** (K.I interview)

Besides, artists complained of the similar costs incurred such as rent for the buildings they are using, costs of utilities like electricity and water bills. These plus the costs of putting up a performance make it hard for theatre to survive.

**The car park is bringing in money. It is in fact, helping to sustain the theatre. There is no money in ticket collection.** (An official of one of the Theatre)

The fiscal policies are common problem to all artists. Theatre is not yet recognised as falling in formal sector. It is informal sector. It is under miscellaneous and some times mentioned under cultural activities in the national budget.

### **4.2.3 National Trade Policy**

The National Trade Policy (draft) is sensitive and responsive to poverty eradication goals. Its *vision* is “to transform Uganda into a dynamic and competitive economy in which trade sector stimulates and sustains the productive sectors to remuneratively trade the country” out of poverty into wealth, create jobs and move higher in the value chain of production. (National Trade Policy, 2006: 10). And the trade policy mission is “to develop and nurture private sector competitiveness, and to support the productive sector of the economy to remuneratively trade at both domestic and international levels with the ultimate objective of creating wealth, employment, enhancing social welfare and attaining sustainable economic development. One of the guiding principles is “the provision of an enabling environment with a view to developing and nurturing a private sector that is capable of competing at all levels and taking advantage, on a sustainable and reliable basis of the trading opportunities that are created by the trading arrangements to which Uganda is a signatory. Targeted government interventions in specific sectors will be used if, and as, deemed necessary” there is not specific mention to any form of trade. It is all about the business management, support and facilitation in the policy.

### **4.2.4 National Cultural Policy**

The National Cultural Policy treats cultural in its entirety. Culture is broad, for cover all ways of life of a community. The vision for National Cultural Policy is “a culturally vibrant, cohesive and progressive nation” and the mission is “to promote culture and enhance its contribution to community empowerment”. Performing arts are a segment of culture. The study also revealed that theatre is being to use in various ways, such as social service delivery, as it is being used in theatre for development projects, drama therapy,

dance therapy, music therapy, forum theatre, and in classroom situation, drama in education. Furthermore theatre appears as folklore. Theatre is also being put to commercial role, offering people employment, and adding substantially to national GDP, through taxation and purchase of licenses. From interview with Ministry officials in charge of culture, there is no distinction made between culture as public goods and culture as private goods. Culture as private goods would take the direction of trade and thus will fall under industry and trade. And the policy should then be clear on how this branch of culture is handled.

Culture as public goods should then refer to all other culture aspects that are to be consumed freely and not for profit. In relation to performing arts, this would be folklore, theatre in classroom situation, theatre in healing role, theatre in teaching and sensitisation role and theatre endogenous capacity building like theatre for development and forum theatre. The policy in particular direction will emphasise the preservation, application mode and relevance.

#### **4.2.5 Competition Policy**

Competition policy for Uganda is not yet designed. The National Trade Policy indicates the need to implement the Competition policy and the consumer protection policy. (National Trade Policy, 2006:11) It is mentioned in the context of guiding principles for implementing the trade policy, within the framework of liberalised economy.

#### **4.2.6 The Market Structure Analysis**

##### ***4.2.6.1 Local Market***

Artists agree that theatre audience is declining as more and more openings and options for entertainment are opened up. Many factors have contributed to fall of audience

clientele and the rise of new comers on the entertainment scene. And therefore that more should be done to be able to attract even those not yet attracted to theatre.

**After a simple survey, I have observed that a segment of have not been fully contacted (like the Back Packers, Hotels, Higher institutions and schools, and some other organisations) or the sales concept, which puts it, that client customer cannot buy unless persuaded by aggressive sales promotion techniques.**  
(National Theatre Letter, 2003)

Theatre companies are competing for air on radios and television to project their commercials. Some of these adverts on radio or television, however, put off the potential audience. The commercials target the same type of audience. “Theatre is for the rich and not for the poor people” (Mukulu Alex)

Theatre industry has no bargaining force to voice their concerns to argue with powers that be, to reduce taxes to protect an artist and theatre industry which still in its infancy.

The study revealed that there are many market areas not yet explored and exploited.

*The Teenage market* They are exposed to media, clever, appreciate computer Internet usage is high, (Colin Callaghan). A director of one of the Theatres in Kampala accepted that theatre Managers have not put enough to promote and exploit teenage market.

**Theatre managers have not put enough emphasis on teenager theatre as was in the past. With students’ show on Thursday and Friday at the National Theatre, Pride Theatre built a school audience among the teenagers.** (KI Interview, Director Bakayimbira Dramactors)

The same director said that the future of theatre clientele lies in how much is put in mobilising youth today for future audience

*Expatriate / Diplomats / Tourist Market* This segment of the market has not been explored nor exploited. It had not been attracted by local dramas. Most of the expatriates interviewed complained that plays presented on the theatre Houses are in Luganda. There is no facility of Translation as the play unfolds. This does not affect only the expatriate, diplomats, and tourists, but also the local public who do not understand Luganda language. This audience only attends shows by the KADs (Kampala Amateur Society) which is a predominantly alien – based shows and perform mainly pantomime, at the National Theatre. Drama shown locally is for 4 hours long people don't have time for all that. Some theatres are rushed into performance before they are technically ready for staging. This puts the general standard and quality of the shows to question.

*The Elite / Academics Market* A survey was conducted in Makerere University for both students and lecturers. The lecturers expressed disappointment at the staff being showing on stage as quite below expectation

*Middle class / Bourgeoisies* Alex Mukulu had captured that class of the bourgeoisies, but failed to sustain them. And when he failed none came up to rep-pick them. That gap now exists and it has been trapped by other players such pole-dances, *kimansulo* dances and

night clubs. One Director noted that the middle class category of people have not supported theatre industry. “Their interests in theatre are yet to be established”.

*Children Market* Theatre and theatre managers have concentrated on the adult’s theatre children theatre is ignored. The conceptualisation of children theatre is still vague among many artists. Children theatre has been perceived as. “Adult theatre using children” This is one market which has not been tapped and which has a rich potential for theatre market. Many theatre leaders expressed concern that by ignoring the children as a powerful segment of the market, theatre industry is forfeiting audience for the future.

Up country and Rural Market the Kadongo Kamu or local music bands have opened up new areas for theatre market. They moved in all rural community centres and perform in small places from there. This has boosted the music audience. Drama has not performed as well. The Ebonies have been able to move to many places up country. This is generating new audiences for the theatre. Competition within the context of an entertainment industry means being able to define who the consumer is what the business, the size of the target population. Marketing normally concentrates on what the consume . Customer needs in this liberalized environment therefore it means broadening the target population. What does the theatre maker define what theatre business is all about.

Table4 4(c) showing demand patterns in audience; Non Theatre-goers

Reason for not attending theatre	Percentage
Not time for leisure, busy	33%
No budget for theatre/ no enough money	23%
Not attractive, kiddish, obscenities	24%
Do not enjoy theatre	17%
Lack of publicity	3%

N= 100

Table 4 (d) showing Public Attitude towards Theatre

Attitude	Reasons for it	Percentage
Positive attitude	Cool entertainment	61.3%
	Educative, good for leisure	11%
	Best ways of socialization and passing time	7%
Negative attitude	Indecent, poor dress code	19.4%
	Simply do not want theatre	1.3%

N= 100

One theatre director and proprietor acknowledged the fact that theatre is facing steep competition. He says

**The biggest challenges to my theatre are the audience the audience has changed greatly. People no longer come to theatre, because of poverty. The middle class has not supported the theatre industry.** (KI Interview),

#### 4.4.3.2 *Global Market*

The cultural and creative sector has been the subject of increasing attention in recent years as its economic importance – as a source of employment and as a contributor to national competitiveness and even the balance of payment – is picked upon. In the late 1980’s one finds talk in UK of the so called “cultural industries” (see Garnham, 1987) and shortly after the publication of an influential, in much criticized entitled “The Economic Importance of the Arts” (Myerscough, 1988) In early 1998, The European

Commission released a working paper entitled *Culture, Cultural Industries and Employment (CEU, 1998)*, while at the end of 1998, The Department of Culture, Media and Sport produced its own *Mapping Document (DCMS, 1998)* that spoke of a sector employing some one million people, adding net value of UK Pound Sterling 25 bn. Per year or 4 per cent of GDP and making export worth UK P. S. 7.8 bn per annum, and was suggested to grow at some 5 per cent per annum in the coming years.(Casey, 1999).

Yagi, (2005) observes that cultural factor is increasing its importance for improving the competitiveness of economy in “knowledge intensive society”. He recommends that there is need to study the cultural and media industries. Adds that cultural and media industries affect the competitiveness of manufacturing and other industries, through deepening cultural influences in global markets. Thus the competitiveness of cultural and media industries affects the competitiveness of other industries.

Table 4 (e) Percentage of the contribution of cultural activities to GDP in Iceland 2000

	<b>Iceland</b>
Printing and publishing	1.36%
Artists, theatre and orchestras	0.74%
Radio and television	0.48%
Sports	0.38%
Religious affairs	0.38%
Library and museums	0,27%
Motion pictures	0.14%
<b>Total</b>	<b>3.75%</b>

The percentage of cultural activities to GDP was 3.75% in the year 2000. Printing and publishing has the biggest share, followed by theatre, orchestras and other activities of artists. The creation of artistic works constitutes primary production, but their

contribution increases many times through exhibitions, printing etc. over a period of many years, decades or even centuries after their original production.

The results of the Entertainment Industry survey conducted by the Ministry of Trade and Industry showed that the Entertainment Industry is estimated to generate TT\$51.8 million annually and employs some 10,854 persons. This conservative figure provides a snapshot of a moving target as this would not remain at the level for very long. The employment and revenue generated in the various sector are detailed in the table below:

Table 4 (f) showing contribution of Creative industries to economy of a country

<b>Sector</b>	<b>Employment</b>	<b>Revenue</b>
Music	5,602	\$169,465,606
Carnival	3,596	\$153,587,200
Visual Arts	728	\$17,806,450
Theatre	454	\$6,201,140
Dance	474	\$4,704,470
<b>TOTAL</b>	10,854	\$351,764,866

Source: Trinidad and Tobago Government records

In comparison with the other countries, which were reviewed earlier, the music industry of Trinidad and Tobago (generating US\$26.9 million for music industry) has not been as successful as that of Jamaican industry. The Jamaican music industry generates US\$52.5m and employs 15,000 persons. The Barbados music industry is estimated to have earned approximately US\$15 million in 1999; while the music industry in the OECS, which is largely based on festival tourism, accounts for over US\$20 million in 2000.

Table 4 (g) showing contribution of cultural industries to the economy

Industry	Employment
Plastics, printing and packaging	11,000
Food and Beverages	10,854
Fish and Fishing Processing	9,452
Merchant Marine	6,054
Entertainment	2,970
Yachting	1,250
Film	200

Industry	Revenue
Plastics etc	1,300
Food & Beverages	1,174
Fish & F. Processing	647.0
Merchant Marine	441.3
Entertainment	351.8
Yachting	152.6
Film	28.0

Now people have a better understanding of cultural industry. The development of Cultural Industry needs the support of all people. (Radio Chine International, Real Time China, 2006)

#### 4.3 CHALLENGES CAUSED BY INFRASTRUCTURE IN THEATRE INDUSTRIES

##### 4.3.1 Networks and Alignments In Ugandan Theatre Industries

###### 4.3.1.1 Associations, local and international

Federation of Uganda Theatre artistes is one of the grand ideas of Ugandan artists, according to the President of the association; it is the umbrella organisation of Ugandan artists. It was reported that the theatre industries do not have a unifying overall organisation that takes care of the concern and interests of artists. However it was also noted that Uganda Federation of Uganda Artists was already established to oversee the concerns and sanity of the theatre industry. Of course there is also Uganda Theatrical Groups and Artistes Association (UTGAA) a modification of Uganda Theatrical Groups

Association (UTGA), which has been in existence since early 1970s and the 1980s, and 1980s Theatrical Groups were being registered by UTGA and The Ministry of Culture and Community Development, Culture Department. Today some Theatre Groups are registered with Uganda Development Theatre Association (UDTA) under Ndere Centre. From this finding it shows that there no single entity that has over all command on theatrical affairs of Uganda.

Artists observed that in Uganda, Theatre industries have several networks in form of associations. These associations are, Uganda Theatrical Groups Association, (UTGAA), The Theatre Guild of Uganda, The Golden Theatre Foundation, Musicians Club, Uganda Performing Rights Society (UPRS) Uganda Development Theatre Association (UDTA) hosted at Ndere Centre in Kampala. At one time there was Theatre Directors' Association, and Theatre Halls Owners' Association. Among international associations are international Theatre Institute (ITI) international Amateur Theatre Association (IATA) The Association of Theatre for Children and Young People (ASSITEJ), International Organisation for Theatre Scenographers, Theatre Architects and Technicians (OISTAT), East African Theatre Institute (EATI) with a national chapter of Uganda Theatre Network (UTN). There was a general consensus that artists have not benefited much from these associations and it was bound to collapse like all others had. Many of these organisations had collapsed. Examples of associations, which have collapsed, include, Uganda Theatre Guild, Theatre Directors Association, Theatre Halls Owners Association, Uganda Writers' Association and Uganda Dance Council. The

international Associations and organisations have suffered equally from the few directors who possess the associations as if they are their own private enterprises.

#### *4.3.1.2 Institutional Infrastructure (theatres)*

Theatres have got a characteristically similar organgram. The familiar offices in most of the theatres are Director, Stage manager, production manager, house manager and accountant. This contrasts highly with other service industries such as hotels and restaurants, whose organgram has house manager, marketing manager, human resource manager, sales promotion foods and beverages manager and director. The absence of a marketing manager and sales promotion manager and research and development manager

in theatres is conspicuous

Figure showing The Organisation Structure of National; Theatre

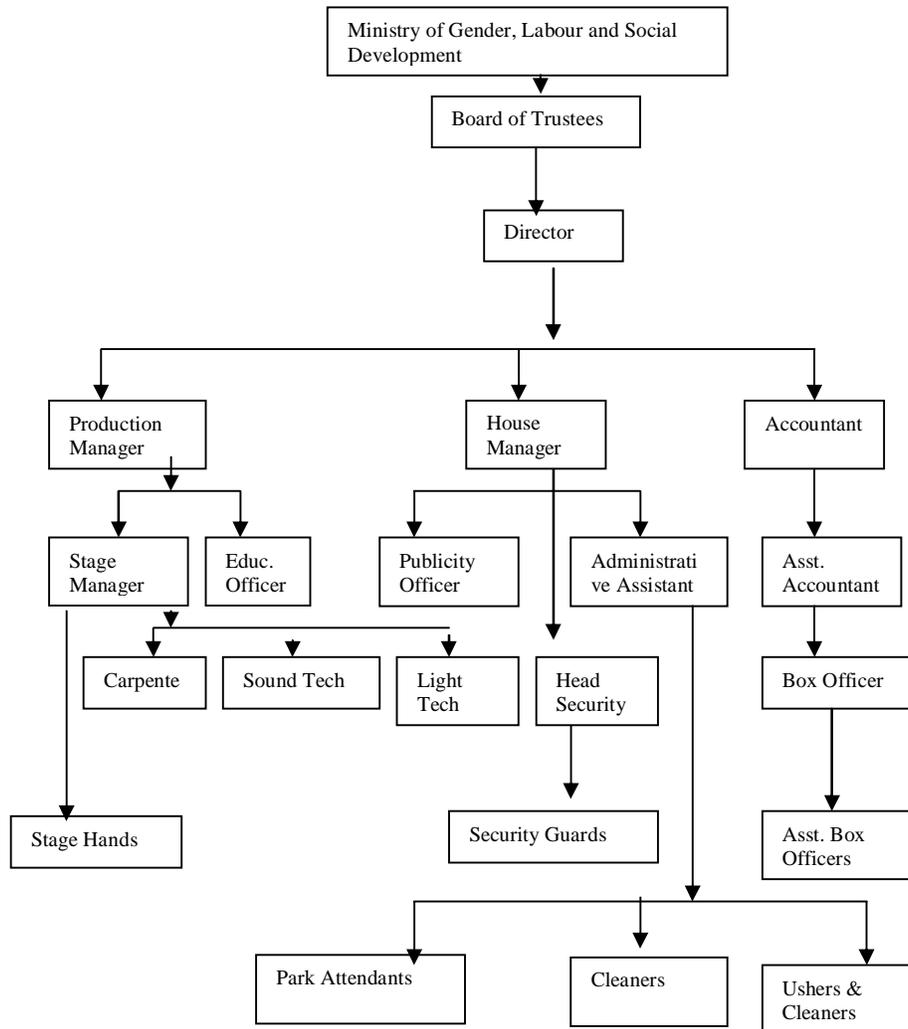


Figure 3. Organisational Structure of National Theatre of Uganda  
Source: National Theatre Records 1998

*Theatre Group's Institutional Infrastructure*

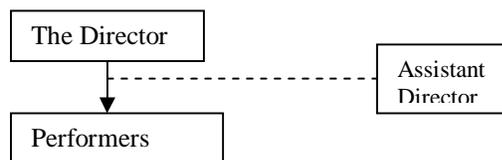


Figure 4. An orgnogram of typical Theatre Company, Uganda, 2006

It was noted that most of the theatre groups were loosely built up in a form like a society. There were neither firms nor companies. They were neither registered as firms with business name registration Act nor under companies Act. They were societies, clubs, or associations. Sometimes too, they were not having constitutions governing their associations. In this case one would enter or leave the society at any time one wishes to. Most of the theatre groups in the 1970s to date were headed by one individual, a man or woman who is the entrepreneur and the Director. In normal cases this Director is the Playwright, He/she directs the play, he/she in charge of finances, Publicity and marketing, stage management, and takes the lead role in the play as an actor. The rest of the performers are basically left with acting only. They are paid transport and fed at the times of rehearsals and performances. The assistant Director (which was optional) was titular. If one was delegated the position of Stage Manager, it was also titular. One person, the Actor –Manager, did all.

#### *4.3.1.3 Joint Performances*

Musicians within the category of pop music industry have taken on organising joint productions. Some examples include, *Ekiggunda ky'omwaaka*, *Entujju ya munna "U"*, and Theatre Groups have organised joint cast comprising several artists (celebrities) from different theatre companies in one production. There is neither written agreement before this is done nor an established framework for regularising this arrangement. It is all based on mutual understanding.

### 4.3.2 Planning and Physical Infrastructure: The Venue

The Director of Pride Theatre said that the Pride Theater Management

**We once invited the Speaker of National Assembly to come and attend a show, the Speaker asked whether we were planning to go and stage this very show at the National Theatre then he would come.**

This tallied with the over-all concept of physical environment of the area or space. Although from the interviews conducted among theatregoers, the comfort of the space was not mentioned.

### 4.3.3 Legal Framework of theatre industries Practice

#### 4.3.3.1 Enabling Laws

According to theatre managers, there is need for support from the government through Uganda Laws Reform Commission in reviewing all laws related to theatre arts so as ensure legal protection. The positioning of theatre industry in government priority list needs a fresh look, especially the Copyright and Neighbouring Rights Law. It was further noted that professional ethics was a general concern. This was due to the fact that there are no prescribed rules on the procedures and conduct of the theatre practice. *Crisis of confidence* This was noted with a listing of repercussion and side effects. The artists who have made names are allowing their names to be sued in a bid to capture audience. One Director cited how an artist used thus to raise an audience.

In the draft Terms of Reference for Renovation and Extension Works at National theatre (1998) the consultants, provide specific goals and objectives as:

- a) To provide training for the local drama groups in the areas of performing arts, art appreciation costume and stage design.

- b) To transfer and promulgate cultural values and heritage from one generation to the next through training
- c) Custodians for both national art and craft treasures for reference and research.
- d) Provide national venues for theatrical performances
- e) Avail materials for both stage and costume designs during the staging of plays.
- f) To coordinate government/NGO activities with performing artists to bring about public awareness in areas of national concern e.g. HIV/AIDS, environmental protection, community development etc.
- g) To provide administrative space for various organisations such as visual arts association, artists association, Uganda Theatrical Groups Association (UTGA) and others.
- h) Provide space for visual arts and craft exhibition, e.g. craft village exhibition.
- i) To provide an outlet for commercial sale of arts and crafts.

The same consulting firm goes further to explain the scope of objectives as follows:

*Scope of Objectives:*

- a) To develop the staging off local drama to international standards using modern technology techniques on the stage.
- b) To see art appreciation become part of the national tourist experience.
- c) To produce competent Ugandan producers, directors, costume and stage designers, writers.
- d) Collect and store visual art pieces of National importance and heritage to facility research

e) To allow the possibility of staging more than one drama or music performance at the premises.

f) Provision of visual art and craft and craft exhibition space.

**What is the corporate legitimacy of theatre firms in Uganda?**

**What is the short coming?**

The objectives of National Theatre are divergent from those of The Act of Parliament.

The objectives according to the consultants, which I believe they got from one or some officials, the objectives as by the document on strategic planning are all different from one set to another. The visioning challenge here is clear that the administration seems unclear about what exactly the institution stands for and its goals. This reflects that the Act of Parliament establishing National Cultural Centre and National Theatre is not frequently referred to, which should be the guiding policy and legal document. This also shows trends in changing objectives, evidence that objectives should change, but have not changed. The Law must be amended, to accommodate the changing realities.

#### *4.3.3.2 Legal Status of Theatre Firms*

Many theatre firms are not registered with the registrar of companies nor with Non-Governmental Organisation (NGO) board.

## **4.4 CHALLENGES CAUSED BY STATUS OF CAPITAL IN THE THEATRE INDUSTRIES**

### **4.4.1 Capital**

#### *4.4.1.1. Access to Financial Capital*

It was observed by theatre managers that funding of theatre programmes and theatre industries in general is not there. Government does not have policy on financing cultural

industries growth. However as it was noted, there is a strong link between enterprises or entrepreneur and development. An enterprise is nothing without human capital. This relationship was first presented by Schumpeter that presented as a reason for economic growth, an increase in the number of entrepreneurs. “This effect is a result of the concrete expression of their skills, and more precisely, their propensity to innovate” (Dejardin, 2000)

Mamadou Dia (1996) emphasises the importance of mainstreaming the indigenous micro-enterprises (theatre inclusive) as well as small and medium – scale enterprises as an important step in stimulating economic growth and development just as it did in the East Asian countries. Emphasis on the size and importance of the indigenous private sector in Africa, as well as recognizing the linkage with the formal sector will certainly be the ground for reconciling indigenous and transplanted institutions into the formal sector.

**... despite the informal sector’ remarkable vibrancy, its reputation as the seed back of African entrepreneurship and substantial attempts by donors to help it out, its growth and development have been slower than expected” (Mamadou Dia, 1996: 155)**

Dia goes on to argue in support of indigenous micro enterprises, which among others, cushions against unemployment, political unrest and encroaching poverty in the context of dwindling resources. Instead most micro enterprises and SMEs in this sector remain confined to traditional market niches and fail to grow in terms of capital structure scale products and theatre as an SMEs is therefore coming to be recognised as an important pillar in the development of the local private sector in Africa and elsewhere. Following

the doctrine of “consumer sovereignty” The individual should be free to buy whatever services he/she wants at a competitive market price, which implies no subsidy (*Hill Elizabeth, et al 1995, II*). These authors advance a debate on whether it is feasible or even logical for theatre to be funded by government. The idea that the creative artist and in particular, the performing artist, can have any special status in the community when it comes to the allocation of resources to the arts”

**Today the fear is that if National theatre as a parastatal organisation does not perform, it is divested in order for National Theatre to realise revenue returns it must be inline with competition and the new market reality otherwise they collapse (K.I interview)**

Theatre, it has been argued should be subsidised. (New vision Wednesday Jan. 5, 2005:8) owing to the role theatre does on radio television and on stage. Source directors (a theatre managers) do campaign that theatre should not be taxed at the same level as the established manufacturing companies. It was noted that Uganda National Cultural centre as a government organisation aims at providing social services to the public. It is a non-profit making body, whose funding depends on budgeted government funding (subvention) and raising funds from subscription and commercial activities. (National Theatre Records, 1998)

***The cost of putting up a show***

*Table 4(a) Estimated Weekly Costs for Kampala Theatre Groups*

Property Leasehold	2.000.000
Actors Salaries	1.500.000
Stage Expenses	790.000
Front of House wages	430.000
Other Expenses (Marketing & Publicity)	2.500.000

<b>Total</b>	<b>5.870.000</b>
--------------	------------------

Table 4 (b) estimated Weekly Costs for Kampala Theatre

Utility, wear and tear	2.000.000
Staff pay (stage and F.O.H)	1.500.000
Stage Expenses	790.000
Front of House wages	430.000
Other Expenses (Marketing & Publicity)	2.500.000
<b>Total</b>	<b>5.870.000</b>

Theatre companies should instead engage in product portfolio-management. This is what theatres like National theatre with the parking yard letting rooms, and bars and catering services. So too, is Pride Theatre, in the pride complex with schools, Pride Afric corner, Ndere, centre with Guest House, Bar and catering services. In this way, additional to theatre services will be “performance related” items like programmes catering and non-performance related items. The study revealed that there was need for the theatre industries; to deliberately manage a combination of offerings in a way that epitomises all benefits to the customer is as well as the returns to the organisation, by adopting a product portfolio management model.

#### 4.4.1.2 *Financing the Organisation’s Objectives*

According to S.4 of Uganda National Cultural Centre Act 2001, the objectives of the Uganda National Cultural Centre are:

- a) **To provide and establish Theatres and cultural Centres**
- b) **To encourage and develop cultural and artistic activities**
- c) **To provide accommodation for societies, institutions, or organisations of cultural, artistic, academic philanthropic or educational nature, (subject to the Minister’s approval).**
- d) **Organise and conduct instructional classes in theatrical or musical subjects, and levy fees for the same.**

The objectives for Pride Theatre are as follows:

- 1. To promote theatre works.**
- 2. To educate people through drama**
- 3. To promote artistic talent to fruition.**
- 4. To promote culture**
- 5. To entertain**
- 6. To present film shows.**

The Directors of Pride Theatre see these objectives as central and adequate. There is any other record which contracts with this in giving another or alternative set of objectives.

It was noted that among the challenges theatre industries face in re-inventing themselves structurally so as to perform compatibly in a liberalised economy include among others things: poor judgment, and conceptual issues such as controversies surrounding the practice of theatre; distortion of information, and lack of cohesion.

- 1. Due to insecurity, people did not have a lot of entertainment in the 1970s.**
- 2. Untrained personnel**
- 3. Lack of division of labour**
- 4. Lack of records,**
- 5. Historical issues** (National Theatre Planning Document, 1998)

#### ***4.4.1.2 Human Capital***

##### ***4.4.1.2.1 Matchmaking manpower with the complexity of the economy***

There is concern by the managers of theatres about human capital, availability and quality. The manpower employed should be able to match the complex reality of market forces and competition. It was expressed that not many of the personnel employed in

many of theatre houses were trained in managerial fields. The majority were artists, managing “their thing”. This concurs with the criticism raised by Casey (1999) contending that “supported organisations in (the cultural sector) in the U.K. appear to have difficulties finding people to occupy senior positions who possess both artistic and managerial skills. Concentration produces criticism at one extreme, “philistinism” and at the other “profligacy”. There is therefore the challenge of trying to reconcile cultural excellence and sound management. Supported cultural institutions (like Uganda National Theatre) In the sense that it offers public good, Casey further argues, and then loses legitimacy. As a result the public loses interest in supporting it, and the government in turn finds it easy to cut allocations made for it.

**For any industry to thrive you must train managers. No deliberate effort is made to train theatre managers. Not many of the music bands and theatre companies are led by Music Dance and Drama Graduates does this render MDD dept irrelevant? No one is developing a curriculum for theatre practitioners to meet the expectations in the real world.**

(Rwangyezi, Ndere Centre)

#### 4.4.1.2.2 *Labour market Structure*

One director of theatre Group said,

**Theatre (in Uganda) is under siege. Unscrupulous people and market manipulators are in theatre. The majority of them come forward as promoters. These promoters look at the money aspect at the expense of quality of Art. They employ artists and pay them to do what they dictate in some cases, promoters follow the whims of the audience. In such a situation anything passes for theatre. (FGD, Directors)**

The conceptual relationship between entrepreneurship and innovation has been discussed in the literature for many years. The economics of innovation, in particular, have attracted increased attention in recent years ([Grupp, 2001](#), [Arora et al., 2002](#), [Stonemans, 1995](#)). [Sundbo \(1998\)](#) have summarised the basic theories of the economics of innovation and identified three competing paradigms in the current theoretical discussion of innovation: the entrepreneur paradigm; the technology-economics paradigm; and the strategic paradigm.

#### 4.4.2 Investment

The question as to whether theatre industry is a good business for investment or not, it raised concerns. For example,

**“Didi’s world” theatre Hall, the director and proprietor of Didi’s World wanted to refurbish the hall to fit the international standard of theatre. He brought in consultant to estimate the costs involved. The report was made and submitted. Upon reading this report, it the idea of theatre, was later dropped.**

**The Proprietor for Cooper Theatre near the old Tax Park got deceived. He did not see economic sense in accommodating the Pearl Theatre closed because it was not strong enough to compete with others. Many more theatres are likely to close soon.**

Here is every reason to think that theatre is not a promising industry worthy for investors to put their capital into it.

## 4.5 ENTREPRENEURIAL CAPACITY TO HANDLE CAPITAL AND INFRASTRUCTURE

### 4.5.1 Institutional Policies

The policies of many theatre firms were unwritten. They were consciously aware of the market liberalisation and the phenomenon of competition as well as the new market realities. National Theatre was more developed in identifying the problem of market pressure and the need to review the original goals of the parastatal and go commercial.

**Since art and theatre are not yet prioritised on government list as public health and infrastructure, it cannot receive sufficient funding for maintenance, renovations, and extensions and staff incentives. The National Cultural Centre therefore is in process of readjusting in its programmes and services to attract both grants and external funding through donations from public. It will focus on the services, which are of higher demand and which the public is willing to support in order to subsidise other activities.** (National Cultural Centre/ National Theatre Documents, 2003)

The changing market environment bears significant implication to theatre industry. The two concepts entrepreneurship and innovation for an enterprise were not clear to some of the theatre directors, nor was that of competition. The National Theatre Director and management notes as follows:

**Since 1991 in the mean time, large sums of money are being spent on maintenance and short and medium term repairs. It has no external funding. (National Theatre records, 2003) The National Cultural Centre therefore is in process of readjusting in its programmes and services to attract both grants and external funding through donations from public. It will focus on the services, which are of higher demand and which the public is willing to support in order to subsidise other activities.** (National Cultural Centre/ National Theatre Documents, 2003)

However, the management of National Theatre is fully aware of its (National Theatre's) own limitation It recognizes that it is a public Cultural enterprise in a competitive environment which according to National Theatre Records on Strategic Plan (1998),

**This Calls for credible and economically viable oriented performance. Where as we appreciate the original mission for which the institution was set up, time and development have inevitably influenced the practicability of the plans, and operations and activities.**

Where the original mission was to promote, preserve and popularise Uganda national cultural heritage; through presentation of plays and music and dances

**Uganda National Cultural centre and National Theatre in particular will nevertheless devote itself to the fulfilment of government policy as demanded of it, promoting, and consolidating its services to the people of Uganda through continued presence and active participation in cultural programmes and activities, locally and internationally The management of National Theatre is aware of the absence of a written cultural policy. This policy would take care of theatre and the arts industries. . (National Theatre Records, 2003)**

And in the subsequent strategic Planning Session the National Theatre comes out with objectives as follows

**In pursuance of these noble ideals, we are committed to the following goals and objectives:**

- 1. To operate an economically viable cultural enterprise.**
- 2. To promote, encourage and nurture quality productions in order to achieve a dependable artistic resource.**
- 3. To develop institutional services through human resource development.**
- 4. To emphasise efficient and effective management**
- 5. To foster public relations in order to rebuild public confidence in the image of the institution.**

National theatre noted that among its challenges was the commitment to implementing a countrywide outreach programme within the existing economic environment and yet remains focused on the original set goals and objectives. Another objective is to ensure countrywide outreach and establishment of theatres and cultural centres. Widen the resource base without compromising the Centre's mission. Maintain the center's property given the meagre resources. The National Theatre roof for example, has leakage. Create a coordinated and well-trained workforce of facilitators countrywide. Create and maintain a fully-fledged Research and Documentation Department. Acquire the Nommo Gallery and car park land titles. For Nommo Gallery, we need UG Shs. 36,000,000= as transfer fee. The Kampala Land Board is yet to determine the fee for the parkland title.

Uganda has just passed an official policy in culture. Uganda National Cultural Centre receives no funding and does not receive any funding from government of Uganda since 1991. Nommo Gallery however, receives some small monies through our (National Theatre) accounts, from time to time. Physically, the Uganda National Cultural Centre is one of the oldest establishments in this country. This means that it is long overdue for (overhaul) extension, expansion and rehabilitation.

**In the meantime, larger sums (of money) than one would expect, are being spent on short to medium term repairs to particularly run down parts of the building. It should also be noted that in fact, the centre has no external sources of funding whatsoever. (National Theatre Records 1998)**

The Implication of these facts

Strategic decisions regarding budget and work plan formulation take place in the absence of any officially laid down parameter from the highest level of National decision – making.

The Centre’s ability to implement what ever it does decide upon is heavily dependent on revenue raised from a very narrow revenue base that itself is not 100% fixed.

The maintenance of a 40 plus- year old physical installations, much of which are specialist in nature and built originally to very high technical standards will continue to demand on our finance base.

*Challenges (specifically, Pride)*

Pride Theatre challenges are basically staging related. As it can be seen, they express

- 1. Lack of equipment**
- 2. The rent is expensive, as they have to pay UG Shs. 3.5 million plus VAT of 17 per cent every weekend.**
- 3. They have a problem of poor infrastructure, the building and environment,**
- 4. Poor facilities such as seats that need to be improved.**
- 5. Theatre lighting, stage lamps, no dimmer board,**
- 6. No curtains, the curtains they have were from Jinja material dipped in black colour, due to tight income.**
- 7. Few groups apply to go their theatre to act. (Question of suppliers)**
- 8. Lack of Audience**
- 9. Audience demand for new productions**
- 10. Historical issues**
- 11. Taxes**
- 12. Infrastructure**

This explains why some productions are best when staged at the National Theatre, because there is all the professional fitting and equipment for a production. This also cuts off some of their audiences.

## **4.5.2 Entrepreneurship and Innovation**

### **4.5.2.1 Introduction**

Uganda National Cultural Centre is a semi-autonomous parastatal organisation established by the act of parliament, the Uganda National cultural Centre Act, (originally, 1959, amended 1965, and now in 2001). It is under the Ministry of Gender, Labour, and Social Development. It was opened in 1959. It is located on plot 6 Dewinton Road, the Eastern side of the Parliament Complex. Parking space for the Theatre is provided for on plots 2, 4 and 6 Dewinton Road having a total capacity of 120 cars. (National Theatre Documents, 2003) which provides mainly performing arts and plot 4 Victoria Avenue for Nommo Gallery the second component of Uganda National Cultural Centre. (National Theatre, 2002) which is mainly concentrating on visual arts. In this study the focus is on the National Theatre. The terms National Theatre and Uganda national Cultural Centre will be used interchangeably. And theatre/arts industries and cultural industries will be used interchangeably

Pride Theatre is private theatre company, registered with Ministry of Justice/ It occupies the building that was initially Africa Foundation a non governmental organisation, then headed by Kefa Sempangi for resettling street children. They rent this building from some Indian Association. It is located on plot 51 Namirembe Road. It was opened as theatre in 1988. the people behind it are Andrew Benon Kibuuka, Mike Kakande, Aloysius Matovu Joy, and Charles James Senkubuge. All these happen to be the founders and directors of Bakayimbira Dramactors, one of the prominent theatre groups in the city. Four other directors later joined, Andrew Maviiri, Rose Kakande, Paul Kintu, and Meddie Nsereko Ssebuliba.

Ndere Centre is a private company registered with Ministry of Justice. It was established with the support of Austrian support. The activities however, are for all artists. The Director Stephen Rwangyezi runs both Ndere Troupe, a performing arm of the centre, and The Centre which has two auditoria: the thrust stage outdoor and the indoor

#### **4.5.2.2      *Marketing Skills***

Public expressed concern that there is monotony on the way the advertisement is delivered. For example one person said,

**When it comes to radio commercials, it is all about shouting the same odd hoarse voice.**

This means that the audience is so much used to the same stereotyped format of advertisement, and no longer feels attracted by the advertisement. It seems the advertisement was designed for one specific group of audience. The rest of the potential clientele are alienated.

The study showed that various theatres are employing intensively. Marketing methods of The National Theatre in Kampala, include among others, newspapers, radio commercials, television commercials, banners, talk shows (radio, and television), posters, handbills, complementary tickets, programmes booklets, Phone-based SMS (NT 197for National Theatre), and website (e.g. [www.culture.co.ug](http://www.culture.co.ug) for National Theatre). For Bat Valley, the following methods are used newspapers, assigning people handout, posters, banners,

brochure, radio (talk shows, and commercials), television (talk shows and commercials) banners, fliers, e-mails, handbills, SMS Drive through on vehicles announcements, interpersonal communication using artists themselves, and pre-recorded announcements played within the show. Pride Theatre uses radio (commercials and slips), Television adverts, newspapers, banners, sponsors, posters, personalised sales (interpersonal communication) fliers, bill boards, handbills, SMS (PT –198) website: [www.pridetheatre.co.ug](http://www.pridetheatre.co.ug) , invitation letters to schools and colleges.

The new competitor is aggressive in marketing, he/she focuses on the market and not an industry (Kermally, 2004: 56) as Theodore Levitt puts it, defines business in terms of consumer need, and excellence (Kermally 2004:103). The new competitor is working within a legalized and systemic institutional framework, he/she is a big investor and he is an employer. He/she is in formal private sector; he/she can be listened to and can lobby for policies that favour his/her trade. One invests in marketing in a big way for one recognises competition as an aspect of marketing and, links strategy with competition as Mid Port puts (Kermally, 2004: 72) the new competitors are leaders with a vision and strategy. The Directors of theatre groups, and theatres as well as artists during a focus group discussion session, listed the competitors and grouped them under three clusters, direct competitors, potential and substitutes. They also categorized them in two forms, namely, as external and others as internal that is, within the theatre industries.

**As you know the struggle these companies have are adjutant to the economic growth of the class system and so the challenge**

**becomes to up rate the populace to meet the requirements of the theatre companies** (www.yahoo. answers)

#### **4.5.2.4 Organizational Behaviour and Culture**

National Theatre staff noted that the ills for this age are multidimensional and they are of national character, because the cut across. They include, among others,

- 2. Commercialism**
- 3. “Copism”**
- 4. Playwright does not do his/her homework. She/he puts the script together haphazardly for the sole reason of getting money.**
- 5. Get material from abroad, put in local setting and call it a play. Sooner or later, people will loose interest in the Theatre.** (National Theatre Planning Document, 1998)

Some directors feel as a general trend. Some artists have resorted to producing anything so long as it will get onto the stage. Some are more worried about the market and the audience mobilization techniques. This it was noted, has made the quality of art go down, the audience response very poor and proceeds from the performances accordingly low.

**Willy Mukaabya advertised he would perform in Mitata Maria, Mityana, and Kasubi in Abayita– Ababiri Entebbe on the same day. 40 miles apart, four places, some times tune, skill show” However much he tried to get on with the programmes that were several uncles a part he failed in one of the venues. He was almost beaten. This is only one case but there are venues he was almost beaten. There was a time when Elly Wamala was very sick and in comma.**

Audience wants orders another instance is where different theatre groups staged set plays of literature for O’ level and A’ level. Each of the Theatre groups aimed at the same

audience the same literature text for presentation and in some cases the same day is in Sharing Hall and another at the National Theatre.

#### **4.5.2.6 *New Technology***

Technology is one of the critical factors in deciding whether technology intensive firms are able to succeed in gaining sustainable economic growth in a highly competitive market. In order to realise sustainable development, it is very important to achieve technological competitiveness. The study was an attempt to examine the role of technology in an APP (Assets, Processes, Performance) framework with 100 firm-level data from the software industry. Using the results from the questionnaire survey, this study developed valid and reliable measures for finding out the role of technology and its significant contribution to the business outcome. Factor analysis results show that for the same level of business outcome, technological processes are a better predictor than technological assets. Further, the relationship among the technological variables (both processes and assets) and performance variables was found to be statistically significant and positive. The study concludes that the technological processes, which are very much internal to the firm, are also eternal to the firm and free from imitation by competitors. The process of economic liberalisation and increased entry of MNCs will lead to the consistent enhancement of the technological competitiveness of Indian software firms in global markets. (D.K. Banwet, Kirankumar Momaya, Himanshu Kumar Shee, 2003) This study has a related focus to theatre industries as they related with modern and competitive market forces.

Theatre industries have been quick to embrace certain aspects of new technology in their business. Artists interviewed indicate that that technology has not been fully utilized in promoting industry.

**The new technology is both a disaster and a blessing to theatre. Technology has not been used in marketing and public relations and promotions. It has been used to pirate** (K.I. Interview)

**It is about convenience. One can now see the entire play/show seated in his her sitting room, at the time it is convenient for him. Even at midnight, one may choose to sit up for the show. e motivated to visit the Theatre to sit there for four hours watching** (K.I. Fagil Mandy,)

The implication here is that videos and televisions with DSTVs attract many people who would have been the customers away from the theatre house. This means that theatre industry is challenged to come up with shows that attract the audience away from one's screen at home or any other form of entertainment; so that one attends theatre at any cost. This is the trend worldwide.

#### **4.5.2.7 Historical Factor**

Study revealed that first Europeans, who afterwards hosted only western productions by KATS, Theatre Group, Kale Kendra, for foreign audiences, constructed National Theatre. When in 1972, Idd Amin (then President of Uganda) expelled Asians even Europeans left the country. This meant that cinemas closed. There was almost a theatre vacuum; Amin banned Express Football. There were no bar activities. The only option of entertainment available was theatre, which was also riddled with comedians selected by "Radio Uganda Talent Spotting" Theatre practitioners though many, the majority of them were not trained in theatre studies until Makerere University came up to offer diploma courses

to artists even if they did not meet the formal educational qualifications for Makerere at that time.

**Artists made the audience. Luganda productions, Luganda audience, some thing light fun, jokes, flip-flap passes for theatre. Therefore, English productions and serious productions do not pull audience. (Rwangyezi, Ndere Centre)**

This has a strong impact on theatre industry. The artists who produce such flip-flap do not produce serious theatre, nor are they professionals in theatre. They are casual artists who take theatre as pastime activity. This explains why theatre industry, serious people who want serious theatre are not responding to theatre shows.

**Those who had run outside (of Uganda) came back with sophisticated mind, could not find theatre of their expectation. Theatre industry seems to be static, while everything else has metamorphosed e.g. hotels, radios, television, and information and communication sector. Theatre remains unchanged structurally: same old buildings, same artists, same kind of staff for productions, same no-policy laissez-faire, same themes recycled and circulating among people, same individualistic, conflicts and competition, no innovation, nor novelty, no great ideas and same aloofness of government. . (Rwangyezi, Ndere Centre)**

**A false situation developed. This shows that theatre industry is structurally wanting as compared to other industries. The public does not accept vacuums; they go where the system is organized. International artists came in, could charge exorbitantly, and dominated the market. . (Rwangyezi, Ndere Centre)**

The Directors of Pride Theatre and that National Theatre also shared this view of the historic phenomenon in describing theatre situation today.

#### 4.5.2.8 *Internal rivalry and administrative dynamics*

The study found out that there was a lot of internal rivalry, as reported in the press, and some of it observed, which injured the cohesion and healthy running of the industry. The case of Jose Chameleon and Bobbie Wine illustrates this. It was said by the artists that reason why the Uganda Federation of Performing Artists was not getting all the support it deserves was internal political and administrative dynamics and rivalry.

### **4.5.3 Theatre Literacy**

#### 4.4.2.1 *Perception of the Theatre industries*

The question as to whether theatre is an economic activity or cultural activity was presented to the respondents. The Ministry officials interviewed on the conceptualization of theatre still expressed a problem in positioning theatre industries in the public service system. It is not clear to government whether it should fall under informal sector or formal sector. As seen from above, the concept of theatre is illusive, is theatre culture or an enterprise, a public good or private good? As minister of culture and community development under which fall theatre did cuts in (1983) termed theatre (national ) as “generally a social point of cultural dissemination and activities by actors, singers, instruments and narrators” ... we must all strive to search for new ways and means of jealously preserving, protecting developing, presenting, and promoting various forms of our culture” this view consolidates the original aim of setting up National Theatre which was to encourage the growth of indigenous drama in Uganda and the preservation of traditional songs and dancing *Themac* programme (1983) This view even used by even theatre managers and artists. Artists essentially performed because of association. One

managers of National theatre in the 1980s said, theatre is not a business. It is for making finalist and developing talent. Theatre art lifecycle is very short, most of out products of theatre can not go on for 6 months; usually longest is three months, some theatre may only last a weekend. The markets within which the arts operate are short.

#### 4.5.3.2 *The inter-linkage between Innovation, Entrepreneurship and Public Policy*

Porter's five forces model is employed to describe the competitive position of enterprises and entrepreneurs in the music industry in Iceland as an example. This analysis is applied to the competitive position of Iceland in the music sector by the use of Porter's Diamond, whereby it is revealed that the small domestic market in Iceland can be exploited to achieve a competitive advantage owing to the extensive domestic awareness of the mainstreams of music in the world. The music schools play a key role in the strong position of music in Iceland, and the people employed in the sector are generally very well educated; this is offset, however, by a weak financial market. Still at conceptual level, artists noted that

**There was no theatre traditionally theatre as it is known in the sense it known today. Theatre is therefore a new thing. Contemporary society is detached from culture and gives more inclination towards western culture (Sengendo, Ndere Centre)**

**The traditional concept of Theatre is rendered unserious, for a example, theatre is called "omuzanyo", katemba jokes, fun. In this way both government and public cannot see theatre as value loaded commodity (Rwangyezi, Ndere Centre)**

If theatre is regarded as a cultural practice and culture is considered a public goods then theatre has not been seen to have price attached to it. It is not considered worth while to pay to see a dance, because every one in the community can dance, to pay to attend a song/music show become most of the songs are cultural has to see a dramatic performance as “*Enactment*” become the concept of drama is to make foolery, jokes, or fun. Theatre show responds sensitively to price a lowering in the price for a show many attract a corresponding increase in the audience form. Price elasticity of demand, in this case, many affect the outcome whether the money raised can cover the costs of theatre production. Einarsson (2001) concludes that there are numerous ways within cultural policies to encourage the activities of entrepreneurs. Increased cultural activities as a part of the creative industries, especially by entrepreneurs, can be achieved by strengthening the school system in the field of culture, especially fine arts. There are also ways of using the tax system to encourage private initiative, both by granting general incentives to companies operating in the field of culture and also by focusing particularly on entrepreneurs and SMEs.

Artists have a challenge of defining the concept of theatre industry. And what this means to them as practitioners in the trade. Two terms are crucial, namely, entrepreneurship and cultural industry. One of the managers of National Theatre said,

**This Theatre (Practice) is not for business but for making friends and building talent**

This also is supplemented by the officials of the Ministry in charge of Culture sports and Youth (at that time in 1970s sn1980s). The view that the purpose of National Theatre was

to promote preserve and promote culture sets a thinking that theatre is a cultural factor and therefore a public good. “This concept of the business sense of theatre must be re defined so that artistes begin to see theatre as an enterprise” (K.I. Interview)

The organisation structure of National Theatre covers the policy making organ of the Centre, The Board of Trustees, who are appointed by the Minister in charge of Culture, on contractual period of three years, but renewable, for up to three terms. The Centre The Board of Trustees in turn appoints the Management of National theatre and Nommo Gallery. The Directors either side serving on contractual terms of three years, renewable up to three terms. The rest of the staff is on permanent terms.

#### **4.5.4 Competitive Advantage**

Fahey (1989) defines competitive advantage as “anything that favourably distinguishes a firm or its products from those of its competitors in the eyes of its customers or end users”. Walley and Thwaites (1996) think this is a very narrow view of Competitive advantage because it focuses on the visible things. Kogut (1985) defines competitive advantage quite simply as “firm specific advantage”, This definition means that competitive advantage whether for single business firm or a conglomerate, is based on all the resources at the firm’s disposal (Peteraf, 1993). According to Porter (1985) there are three routes to competitive advantage, one, based on cost, second based on product differentiation and third on focus. In most cases firms operate on all of them, but the competitive advantage will be derived from either a cost advantage, or a product differentiation advantage, or focus. His approach stressed the importance of external environment, notably the competitive situation within the industries. Comparative

advantage: is defined as the ability of a given economy to manufacture a product or produce a service more efficiently than other countries do (or firms do) it is reflected in the directions of export and import specialisations (Koszewska, 2001)

#### 4.5.4.1 *The Competitors*

Table 4 (h) Showing Direct competitors

No	Entertainment Option	Quantity
1	Cinema Halls	6
2	Night Clubs	11
3	Sports Stadiums and Sporting	4
4	Hotels and Restaurants	38
5	International Artists (average)	1

Table 4 (i) Showing Potential Competitors and Substitutes to theatre performance

1	Weekend weddings and Marriage Ceremonies (average)	12
2	Religious Meetings	59
3	Television Channels	5
4	Radio Stations and <i>Ebimmeza</i>	40
5	Newspaper	7

Table 4 (j) Showing Situation within the Theatre Industry

1	Karaoke	xx
2	Bibanda Makeshift video houses	xx
3	<i>Bimansulo</i>	xx
4	Pentecostal churches crusades	xx
5	Promoters	xx
6	Sports bars	xx
7	<i>Dikuula</i>	Xx
8	Theatre Halls	5
9	Theatre Groups in Kampala	6

*xx means not defined but widespread*

The artistes showed that the Entertainment industry has been growing rapidly since 1980s. In the 1980s sports and theatre were the main entertainment providers. Cinemas, nightclubs, video Hall were not there due to the prevalent insecurity in Kampala, at that time. There was one Radio station, one television station both of these state owned and run by the state. The churches were following the usual routine of attending church services between 10:00am and 2:pm. It was acknowledged that today, theatre, music industry film industries are challenged to compete with a host of competitors some of whom are “new-comers” in the field of entertainment. These include cinema halls night clubs beach bashes, sports stadiums, sports bars, hotels and restaurants, international artists who occasionally visit the country, and makeshift video hall.

Among the substitutes and potential competitors artists noted, are televisions and videos in peoples own sitting rooms radio programmes especially the radio talk-shows popularly known as “*Ebimmeza*.” The religious –based meeting and services or functions of dominate people’s agenda over weekends, which is the peak time for theatre shows in Kampala. Other forms of potential competitors are social gathering, leisure parks, political rallies, wedding, introduction ceremonies (“*Okwanjula* “*okuhingira*” etc).

Table 4 (k) showing audience other options for entertainment other than theatre

<b>Entertainment option</b>	<b>Per cent</b>
Screen viewing (T.V; audio video, Christian movies)	20%
Film	<b>21%</b>
Dancing	<b>6%</b>
Sports	<b>11%</b>
Listening to radio	<b>8%</b>
Beach bar, casino, sports bars.	<b>4%</b>
Live Band show	<b>10%</b>
Boat riding	<b>2%</b>
Gospel Christian Music	<b>10%</b>
Game viewing	<b>5%</b>
Computer games	<b>3%</b>

The video halls have sprung up in urban centres.

**They show VHS video pre-recorded materials. Video shows which currently attract most of the young people and children are located in makeshift houses of the peri-urban townships. The entry ticket costs between UG Shs. 200/= or 500/=. This is cheap and most people of that category can afford that.**

The issue here is not so much about price competition, but also about future of theatre industry. Most of the youth and children living in slums prefer watching these videos the music and dances to going to theatres. Twenty Years to come the theatre industry will be totality reduced, when asked about the future of theatre industry, one director who is also proprietor said. "Theatre will be no more in five years' time"... "I will be in film industry".

The Nigerian soaps. On television channels have attracted the middle class audience. This is so because the middle class such as intellectual elite and political elite prefer this to the local soaps. Where some people feel it is too base and obscene the response is to move away from the theatre company. International and visiting theatre groups claim a big section of the audience, more especially that of the expatriates, diplomats and tourists because they have set a standard that meets the international audience taste or have used better marketing strategy. The performing troupes sponsored by either British Council, Alliance Française etc or performed by the Kampala Amateur Dramatic Society (KADS).

Television with sporting programmes of premier league, claim the sports fanatics and leave theatre. (Theatre Director)

**Premier league attract their fans (many of whom happen to be our potential audience) to the television screen, or radios. The time coincides with the time for our shows:**

**weekends in the evenings** (Director, Bakayimbira Dramactors)

This agrees with what one lecturer of Makerere University, said:

Theatre did not have an audience of its own. “The audience of theatre today, is sports bound”

**The churches too have created a big following. Sunday afternoons, which used to be crowd full. Is no longer capturing as much. The Christian audience therefore is divided or slashed** (FGD, Directors)

The situation in Theatre industry has generally attracted new comers like, karaoke, makeshift video houses, Kimansulo in hotels and bars, Dikuula, sports’ bars, and theatre promoters. Many of these de-market the theatre industry it was observed. It was also noted that the law in place does not protect theatre industry against these dangerous elements in the business.

#### *4.5.4.2 Price competition*

The video halls or locally coined “*kibanda*” show their films at a rate between 100/= (US\$ 0.05) to 1,000/= (US\$ 0.5) The level of piracy is high. The Dramatic recordings of plays of theatre groups are being shown to public at a much-reduced price. This is a problem to the theatre.

#### 4.5.4.3 *Service Quality and Care Competition*

Theatres are in a situation where their audience demands a UPW production every other month. They present new productions every month. Most of the theatrical productions are rushed and the unready. With competition, some directions used to check on other colleagues and copy or avoid copying the running production. There are few theatre groups currently active in Kampala namely. Bakayimbira Dramactors, Ndere Troupe, Afri-Talents, Diamonds Ensemble, the Ebonies, in that categories of Theatre Groups with commercial focus. One of the elites is cited.

**Is acting all about opening eyes wide, wearing a big belly and burns? .... How on earth should a person bathing and someone ostensibly peeping through the keyhole act, obscenely? Is it worth taking members only to see that? ... I would rather tune to the Nigerian film or video and watch those?**

**In addition none is willing to sit for 4-5 hours watching the show. The quality of Theatre is challenged and puts the integrity of artists for test.**

There is another category of theatre that is blending theatre as business and social service delivery such as Samamu Theatre, Shavians, Atuwa, Nalubaale Theatre Group.

The New Type of Customer, according to Colin Gallighan looks at the new Consumer as having the following characteristics:

**Infinitely more demanding, Has access to information to enable him/ her make choices nationally, Willing to experiment, Brand loyal, Much more willing to complain s, More discriminative, More skeptical about the politician**

Four of the five prominent commercial theatres in Kampala have theatre houses. They have a house theatre audience gets used to them as personalities behind that theatre. *Hegemonic crisis* theatre industry is challenged with competing with big industries such as film / cinema, radio and television, night clubs and Disco halls, sports. In a liberalized market all players are open to the same taxes and pressure from government and civil society / private sector.

## **CHAPTER FIVE**

### **DISCUSSION OF RESEARCH FINDINGS**

#### **5.1 INTRODUCTION**

This section presents a summary of findings and discusses them. The discussion of findings follows the same analytical framework and the order of the objectives of the study as earlier presented. The results are discussed in the following order: first the challenges relating to the infrastructure aspects of theatre industries, mainly structural dimension; secondly, challenges relating to availability of capital (both financial and human), that is institutional; thirdly, challenges relating to entrepreneurial capacity to handle capital and infrastructure, this being managerial/ entrepreneurial aspects.

The challenges facing theatre industries were interpreted variously, basing on different viewpoints. The main approaches advanced included, Ethical and integrity perspective, new technology and globalisation perspective, historical perspective, theatre literacy

perspective, labour market perspective and political economy perspective. The study does not intend to explore in detail each of these approaches, but will summarise the focus and

This section ends with a discussion of the implications of *infrastructure- capital-public policy and institutional policy* theoretical approach to assessing theatre industries' quality of business performance output (entrepreneurial and innovative capacity) in a liberalized economy.

## **5.2 A REVIEW AND ASSESSMENT OF THE PUBLIC POLICIES' INFLUENCE ON THEATRE INDUSTRIES PERFORMANCE**

### **5.2.1 Introduction**

Some public policies, namely, trade policy (draft), national cultural policy (draft) industrial policy (draft) National tourism Policy, economic liberalisation strategy were selected for study. The outcome revealed that some policies although in still in the making have adequately addressed issues in the respective areas. The aspect of interest was to what extent (if any) do they influence the performance of theatre industries, within the framework of economic liberalisation.

### **5.2.2 Economic Liberalisation Policies**

The fiscal policies are seen to be harsh on artists. This situation is made worse when the theatre industry as young industry is subjected to the same costs of utilities like electricity and water, rent and all costs that make a production up. The study also shows that Theatre

activities alone cannot sustain an industry. Indeed many of the theatre in Kampala have created an extra activity of other sets of service package to be able to meet the daily needs of running the theatre. This can be explained through various perspectives; the taxation policy does not create distinctions for young industries. It is non-discriminative policy. Theatre industry cannot stand on by itself. It cannot sustain itself.

### **5.2.3 Trade Policy**

The Trade policy is supportive of young industries and indeed provides for nurturing upcoming industries. The policy however affects all trading activity uniformly, it does not indicate ways trading institutions will use to seek redress or negotiation but it explicitly offers opportunity for dialogue and negotiation and strengthening and exploiting the synergy private –public sector partnership and policy complimentarity. In this particular case, theatre industries are not directly mentioned in the trade policy.

### **5.2.4 Culture Policy**

The study shows that National Culture Policy provides for cultural industries, but not specifically for theatre industries. Performing arts as segment of culture are acknowledged for as important aspect in the economy in creating employment, medium of communication in popularising public policy as well as promoting cultural identity. Its

failure to distinguish between cultural goods as opposed to private goods makes theatre industries vaguely bundled up as culture and not as an economic activity.

There is marked distance between the culture ministry and theatre industry and the artists. This ministerial ambivalence makes theatre artists feel not strongly attached to the Ministry; the ministry does not give any financial support to cultural industry. One official noted that it is one of the least funded ministries in the government. On many culture related activities and events Ministry officials have not been invited officially, or if invited, they are not accorded the high profile stature they deserve. The example to illustrate was a private sector initiative to recognise and award music artists with “Pearl of Africa Music Award” (PAM Award) for 2006. This award was fully funded by private sector. When the organisers invited the Ministry of Gender officials they were place on table 98.

Along with the National Culture Policy are the laws that are needed.

### **5.2.5 Competition Policy**

The research has revealed that The Ministry of Tourism Trade and Tourism does not have a competition policy yet. It does not have consumer protection policy yet. But the draft National Trade Policy indicated commitment to liberal policy on trade. As such the policy emphasises the intention of the government to implement competition policy and consumer protection policy within the framework of liberalised economy. Again this does not affect theatre industries although there is competition. The entry of unwanted competitors such as makeshift video operators, karaoke and bimansulo dancers should be regarded unlawful. But there is no established to outlaw them.

### **5.3 CHALLENGES CAUSED BY INFRASTRUCTURE IN UGANDAN THEATRE INDUSTRIES**

#### **5.3.1 Networks and alignments**

##### **5.3.1.1 Associations (*local and international*)**

The study revealed that there were many theatre Associations in Uganda. Some associations are national and others international while some are sector or discipline-based. Artists expressed fear that the Federation of Performing Artists of Uganda (FPAU) is the latest effort to create a theatrical forum that brings together artists. It also shows that FPAU does not have the mandate of running the entire community of artistes. Although there are efforts by the leadership of FPAU to solicit support and cognisance from the ministry of Gender, Labour and Social Development in charge of Culture. It requires more than the Ministry's approval and recognition. It requires being backed by a law or policy support. It may suffer the same defeat like UTGA did. Some Artistes and artistic Groups opted out of UTGA as and when they felt like. They were not obliged to register with UTGA.

The absence of a mouthpiece organisation for the artistes presents a big challenge. There is neither central voice nor platform for all artists to put forward their concerns and to protect their interests such as in this time of competition. It also weakens their capacity to lobby and pressurize government and the powers that be to improve on the policies that oppress the artistic and Theatre Practice. It confirms what one artist said that the formed umbrella associations lack the appropriate culture and organisational structure to support

entrepreneurial managerial behaviour. This was attributed to internal rivalry and political dynamics within the wider industry of theatre.

The study revealed that there are several local and regional and international associations Ugandan artistes have subscribed to. The local associations are collapsing to lack of confidence of artistes in them, poor management approaches, and apathy from artists as the study revealed. This reflects on organisational strategies available in keeping with the standards of the market economy. I would attribute this to lack of effective organisational infrastructure, which in turn strongly influences the survival of the industry. Many of these organisations have leadership organgram but it is not effective. Real work is done by a few of the members. Usually the Chairman and Secretary run the association.

#### **5.3.1.2      *Organisational Alignment and Institutional infrastructure***

Studies that have been conducted of the Nordic music industry show the industry is in stage of rapid growth, both as regards employees and turnover (*Behind the Music*, 2003). A growing part of the creation of value in the music industry is a result of related industries, such as the production of music videos, software, distribution of digital material, etc. Normally, there is a clear division in the industry between independent recording companies and the major players, who also possess their own separate brand names. Also, the division between individual aspects is unclear, e.g. between record companies, publishers, management and promotion. All of these factors are mixed together within single enterprises. The music markets in the Nordic countries are relatively small. This has the effect that their opportunities for expansion depend on exports. Some of the Nordic countries have been successful in this respect. Sweden, for

example is the third largest exporter of music in the world (*Denmark's Creative Potential*, 2001). It therefore appears to be a practical economic measure to set up some sort of support system to encourage musical tours and concerts abroad. The key to this success is the good division of responsibility between the public and private sectors.

The study shows National Theatre with an elaborate hierarchy of organgram. It is missing a Marketing Manager. The role of House Manager is equivalent to that of Marketing Manager. This explains the predicament Theatres are facing, because, in a world of competition it all about competitive advantage and competitive intelligence. Like the lecturers of Makerere University Business School contend, competitive advantage is crucial, it about the seven P's of the marketing mix. When The National Theatre was fully funded by government subvention, the function of Marketing was not as central as it is today. This jeopardizes the institutional competitive capacity as well it entrepreneurial capacity.

The structure of Theatre companies or firms (theatre groups as they are commonly referred to) is simple. It comprises the director assistant director and performers. The lack of specialization in roles and responsibilities for management makes the theatre groups and companies vulnerable to internal and external pressure, and too weak to sustain serious business in a competitive environment.

### **5.3.1.3      *Joint Productions***

Results show that Theatre Groups and Music Bands have developed a strategy of performing together jointly. It also shows that both Music and Theatre have succeeded in

attracting huge audiences to their shows. It is also revealed that arrangements are temporary and informal. This is not only risky for the business, but it is also unsustainable arrangement.

#### **5.4 CHALLENGES CAUSED BY STATUS OF CAPITAL IN THE THEATRE INDUSTRIES**

##### **5.4.1 Capital**

###### ***5.4.1.1 Access to Financial Capital***

Results show that theatre receives no funding from government, or regional councils. The culture policy does not spell out explicitly how government may sponsor theatre. It does not have alternative ways of funding to theatre. Even the Uganda National Theatre and Cultural Centre has for a long time been without the usual government subvention. For even until recently the bill for copyright and Neighbouring Rights was not being addressed shows how much government is ready to address artists problems. Or at least artists' issues are not on the priority list for that matter.

This has been explained from the various perspectives. Political economy approach to policy decision-making extends the self-centred approach to behaviour, attributed to consumers and producers to politicians as well: politicians act selfishly, their objective being to be re-elected. For bureaucrats who are not subject to the electoral vote directly, their objective is career advancement and any other benefits they may obtain.

Others have attributed this to lack of theatre literacy. By this view, it stipulated that the majority of policy makers and top government decision implementers lack adequate

knowledge of the benefits of theatre as an economic activity and a potential commercial tradable venture. Christiansen et al, (2004) assert that many people believe that the way to a strong economy is to develop a strong art world. One of most basic reasons for this is that art stems from creativity. Creativity encourages thinking, feeling, planning and doing. Creativity forms the basis for new ideas, new ventures, new development, and new economies. Reports on economic impact of the non profit arts and culture industry in various communities have demonstrated that investing in this industry does not come at the expense of economic benefits, but rather strengthens the economy and fuels economic revitalization by supporting local jobs, stimulating consumer spending, and generating revenue to the local and state governments. In short, arts and culture are for business and local economy.

Many countries in recent years have recognized that cultural industries promote the vitality and health of the country. Over and above their roles in generating new jobs and economic growth and in promoting social cohesion and a sense of belonging (Leadebearer and Oakley, 1999 cited in Wilson and Stokes, 2002, STEP Report 04-2003 on Nordic Music Industry, Einarsson, 2004; Bourne and Allgrove, 2002 ) It is still puzzling the concepts of artistic and cultural production as industries in developing nations in Africa Allard, 1998)

Local Policy Makers understand the arts and culture generate commerce for local businesses, such as hotels, restaurants and retail stores. They also realise that a flourishing and vibrant arts and culture environment acts as a powerful magnet that attracts visitors and strengthens local tourism. Consequently, there is growing

understanding (in United States of America) that investing in the nonprofit arts and culture industry not only makes communities more active, but also has a positive effect on the economy. (Christiansen, 2004)

Music has a significant impact on exports from Iceland, particularly by indirect means, e.g. through the tourist industry. A number of tourists come to Iceland as a result of the influence of famous performers, such as Björk and Sigur Rós. Currency revenues from foreign tourists have increased substantially in recent years, partly as a result of cultural activities, including musical activities, as reflected for instance in the numerous music festivals held in Iceland.

#### *5.4.1.1.2 Theatre industry and Private Sector “Partnership”*

The funding, which is secured, is from non-governmental organisations especially when they sponsoring theatre for development project or a theatre in social service delivery. This has made some theatre companies to resort to sourcing for sponsored projects than go out to perform for money. This may explain why commercially based theatre groups have fallen from over 400 theatre companies in the 1980s to less than fifty to date. Campaign theatre is been widely used here in Uganda in promotion of government policies, creating or increasing awareness or popularising a public policy, such as immunization, public health promotion for clean water and sanitation at household level. Because of its promotional and community based approach to spreading messages theatre scores more as social service delivery tool that a commercial. This is so because artists then know that they are going to be paid for their work. But this has also encouraged the rise of fake groups to form theatre groups in order to capture that money.

Businessmen have also employed theatre for promotional purposes. Shows are organised to meet a target audience, usually a non-paying audience, and sensitisation is done or social marketing is done through theatrical performance. Besides the jingles, or commercial spots, theatre has been mounted on floats and tours the city streets campaigning for the brand or company image. Big Companies like MTN, Celtel, UTL (all of them tele-communication companies) have exploited theatre for their campaign in the face of stiff competition. They do this by sponsoring huge momentous production they suspect will draw big audiences. Beer companies too have used theatre to this end. This has a negative side too, it given rise to sometimes-poor standards of the performances giving theatre a poor image. . This also reflects a fall in the theatre audience turn up when it comes to commercial performances.

he study shows that Banks have not yet trusted artists. The access to funds is with difficulty. Banks cannot lend money to theatre companies because they have an attitude that the artists are not considered reliable. Some of them are seen to be “bayaye” not serious people or rogues. It is partly due to the fact that some artists have not been trustworthy. The study shows that there is a problem of ethical conduct and in a bid to capture as much clientele as possible artists are in frenzy of using names of big celebrities

in the advertisements. In many cases even these big artists may not actually be in the show. This has raised a lot of concern among the public. In some shows it sparked off strife between audience and artists. This is a bad sign for an enterprise. Many of course have had problems with securing loans from banks. Lacking in credibility among the artists is causing crisis in confidence. It has been attributed partially to lack of an over all organisation which has a code conduct for artists to follow. Any person can mount up a production and will stage a show. While Theatre groups used to be registered with UTGA and the Ministry of Culture to day no theatre group is under obligation to register. There is no theatre Organisation to regulate and control the conduct and practice of theatre artists and groups.

#### 5.4.1.3 *Financing Organisations' Objectives*

The study shows that some organisations have already a problem with defining corporate objectives. Worse still is for the organisation to have a clear corporate vision and mission. For some organisations the results show, there is lack of consistence about the objectives as they keep changing from time to time. This does not only reflect poorly on the management it also creates focus crisis for the objectives. Form the study it was revelled that the top echelon of the management knew well about the objectives, but not the middle class and the lower cadre staff. The implication of this on the productivity and more so the quality of the work and stronger yet, the competitiveness of the organisation in a liberalized economy, put the firm at vulnerable positioning. While it is clear from the finding that some of the objectives were not fulfilled, the reason is partly explained by lack of cohesion among the staff. This can be explained partly from new technological

advances and globalisation viewpoint. Theatre Production requires two entities to make a production realizable, the theatre firm (the Producer) and the Theatre (the hosting venue). The cost of mounting a production and staging it, are ideally borne by the two parties. Sampled results show that the cost for putting up the show by both the parties is higher than what they can possibly realize. This is because the audience rationally decides to select what entertainment option to go to. This has far reaching implications for the investor/ proprietor and the artist. This coupled with the number of days and shows a firm is allowed to stage the show, makes it all the more risky area to tread. Theatre industry in this case cannot be sufficiently sustained.

Technology and technological advances make theatre industry out of touch if artists do not engage technology enough in the production process and performance. The findings show that technology has been used in advertisement, by electronic media, such as radio, television, website, and phone messages. It has not been used enough in marketing the productions. The staging technology within the scenic design has not been explored and hence not yet exploited. Theatres in developed countries are doing well because of adding value to the staging technology of production. Much as it is a source of infringement, say in copyright, dubbing of music items, and broadcasting, technology the study noted should be embraced. However, the question of capacity to put up a show with significant range of technological innovation in it remains illusive. The cost of set construction involving engineers, and all the machinery, and paying for artists professionally, and as well sustaining a show for a year in the same theatre, is another stage in our theatrical development far from being realizable in present day Uganda.

## **5.4.2. Human Capital**

### ***5.4.2.1 Matchmaking Manpower with the Economy***

The results show the challenge matchmaking the human capital, (availability and quality) poses a serious issue in the management of theatres. It is reported that most of the managers of theatres are polished artists, with strong grounding in theatre and arts. The manpower employed should be able to match the complex reality of market forces and competition. It was expressed that not many of the personnel employed in many of theatre houses were trained in managerial field. This means they are competent in selecting and putting on a good show, aesthetically, but would have problems business-wise. Some artists have interpreted this problem from a historical perspective.

The National Theatre of Uganda, the first such theatre built to purpose, enjoyed the monopoly of presenting shows to public for a long time (Kironde, 1984). Late 1980's and early 1990's saw new fringe theatres entered the market, followed with government policy paradigm shift from centralized nationalized economy to a liberalized economy. The study shows that theatre industry has remained static, with the same old buildings, same artists the same kind staff for production, same themes, recycled and circulating among people, same individualistic conflicts and rivalry, same aloofness of government, no policy all laissez-faire nor innovation, no novelty, no great ideas; as opposed to hotels industries, television and radio industries, information and communication sector. Within the same theatre industry, the clientele, or the audience is changing, the forms competition are changing, and new competitors are joining the marketplace with new

tools and ways. This shows that Theatre industry is either moving at a very slow speed or not moving at all, while everything else is moving very fast forward. This then makes it weak to compete with other service industries in the entertainment sector.

### **5.4.3 Labour Market Structure**

The findings indicate that promoters and other players who are now influencing the trends and direction of theatre invade the labour market. In a situation of poverty, artists are vulnerable to manipulation by persons or organisations that look at money side of the business rather than the art. It is now a labour market that is with players of who are talented. It raises another issue of talent of trained skill in theatre. Yet even those who are trained now look at money and respond to audience taste, thus performing not necessarily as artistic standards would require, but as what will attract an audience. In most cases this is crude. This of course shows how the growth of theatre is guided not by innovation but by imitation and mass production. This will explain the low turn up of audiences; sometimes as some work becomes repetitive and cheap.

### **5.4.4 Investment**

The findings show that enthusiastic investors in theatre had to drop the idea of investment, on realizing that theatre was not after all a paying venture. Didi's World, and Cooper theatre. It also shows that a theatre House had to close, due to many market forces that they would not overcome. The closure of theatre has two dimensions, one internal dynamics and secondly, external factors. It also shows that theatre industry is not a developed area, for investors. Theatre industry is a risky business, this is because it does

not respond to demand and supply factors, the way normal business does. The economics of theatre is not yet developed; as such things look vague and full of doubt for theatre business planners.

Results from the study show a discrepancy between the modern view of theatre and the traditional perception of theatre. This affected not only professionals in theatre and the industry, but also the investment potential and government view of theatre. Government cannot take theatre seriously, policies therefore for theatre is sideline because it is not on the priority list. The artists too and the public at large have a low opinion of theatre. This injures the marketability strength of the theatre industry.

#### **5.4.5 Market Structure Analysis**

##### ***5.4.5.1 Global Market***

Enough data needs to be established about the export-worthiness of theatre. The intellectual and copyright industries should be doing extremely well in capturing foreign exchange for the country. The findings showed that several countries have reaped immensely from the sales and exports of theatre and theatre-related products countries like Iceland, Trinidad and Tobago, Germany, Democratic Republic of Congo, and Canada. There seems to be little effort done by the artists to acknowledge and promote theatre industry abroad. The problem seems to stem from lack of organised structure and sufficient research conducted in this regard.

##### ***5.4.5.2 Local Market***

The research revealed that in theatre industry demand patterns are changing. In fact there are some sections of theatre clientele that has not been exploited, and whose demand

patterns have not been identified. The study showed that, very little market research had been done. The local market has been split up. The biggest portion of the market share is being taken by sporting and film industries. The audience pool cannot sustain a professional theatre industry. It can only cater for an amateur theatre audience. The local market however is receptive to music industry especially the pop music industry. The pop music industry is doing well. Theatre in particular drama and dance are not performing well.

The market is split up in audiences. The audience currently visiting theatre is shared by various competing options such as film/cinema, sports nightclubs and others. There is still an section of the public that is not yet explored and reached effectively. The study showed that middle class, the children theatre, political and economic as well as academic elites are not yet attracted to theatre. This may be interpreted as owing to poor standard of some of the productions, all or most of the performances are in Luganda. Many reasons have been advanced, but I think the greatest obstacle to breakthrough in audience is the theatre companies' failure to identify and consolidate their competitive advantage. Many of the theatres interviewed seemed not clear about their competitive strategy.

## **5.5 ASSESSING THE ENTREPRENEURIAL CAPACITY TO HANDLE CAPITAL AND INFRASTRUCTURE IN A LIBERALISED ECONOMY**

## **5.5.1 Entrepreneurship and innovation**

### *5.5.1.1 Introduction*

The following section attempts to examine the basic concepts the study, namely infrastructure, capital, and assesses the theatre industries capacity to handle them in the context of a liberalised economy.

### *5.5.1.2 Management Styles*

The findings show that the management of theatre industry is weak. It shows that associations, theatres and theatre groups have collapsed because of lack of strong management within. The organisations do not have an infrastructure to do business. The organogram of one director and an assistant director is insufficient to make effective plan. The majority of them do not have boards of directors, nor executive committees to oversee the management from an independent position, and to set policies for the firms. Some artists have attributed this to greed of individual artists who would like to take everything by themselves. They even recruit persons they know will be easy to manipulate and exploit and cheat. They are not given positions of responsibilities and are assigned duties as and when the director chooses to. I would like explain this from the historical perspective: theatre groups have formed but an individual breaking up from a parent organisation in most cases over disagreement on money sharing after the show. The splinter man who may be an artist, actor forms his own or her own organisation. Writes the play, directs it, acts the main role; he/she is the stage manager, marketing manager, welfare and logistics officer. What more is left for the rest is to perform on stage. This actor-manager may have the talent of an actor and may not have the talent of management. In most cases, one is overwhelmed by the scope of responsibility and fails

to perform. The group therefore falls apart by the gravity of its own weight. This typical of many theatre groups, which not only lack a legal status but also do not have a constitution. This has been the trend of theatres and theatre development by nucleation. This leads to lack of transparency and desire to exploit every situation and persons for one's maximum gain. They exploit the ignorance of the majority of artists who still think that theatre industry is a pastime and hobby. This confirms the notion that there is low theatre literacy level even among the artists themselves.

#### *5.5.1.3 Organisational Behaviour and Culture*

The study reveals that there are set dynamics with the theatre industry. Such dynamics as jealous, exploitation of fellow artists by the directors of theatre groups, inter-confessional conflict among theatre artists of different theatre companies, commercialism “*Copism*” or plagiarism, playwright does not do his/her homework. She/he puts the script together haphazardly for the sole reason of getting money. Some artists get material from abroad, put in local setting and call it his/her play. Eventually, people will loose interest in the theatre and this injures the cohesion of the theatre industry. This may be explained by the lack of ethics and integrity seen to be breaking down artists and their enterprises. But also it is because the laws governing theatre industry are not yet in place. The copyright and neighbouring rights law has been enacted, it is yet to be operationalised. The stage plays and public entertainment law is obsolete and needs to be updated and operationalised. There is no over all organisation that oversees the conduct and behaviour of artists. There is apparent gap between the Ministry in charge of culture where theatre industries fall and the artists.

## **5.5.2 Competitive Advantage**

### *5.5.2.1 Organisational Behaviour and Culture*

The study reveals that there are set dynamics with the theatre industry. Such dynamics as jealous, exploitation of fellow artists by the directors of theatre groups, inter-confessional conflict among theatre artists of different theatre companies, commercialism “*Copism*” or plagiarism, playwright does not do his/her homework. She/he puts the script together haphazardly for the sole reason of getting money. Some artists get material from abroad, put in local setting and call it his/her play. Eventually, people will loose interest in the theatre and this injures the cohesion of the theatre industry.

### *5.5.2.2 Competition*

The study reveals that there are many competitions in the entertainment sector and also that many have come with strategies such as price competition and improved quality of service. It also reveals that the structure of clientele has not been fully explored and exploited. This has been interpreted variously, that theatre’s quality is below standard and in some cases below international standard and that theatre has to put up more effort. Others have seen theatre as having less capacity to engineer the clientele as would be necessary. I would think that theatre managers are well positioned to organise their clientele since even the majority of them do not conduct market research and are not aware of their competitive advantage. Theatres have not mobilised their own audience and consumers. The audience theatre has, was initially the audience of sports and film. When the Asians left, in 1972, on the orders of Idd Amin, then President of Uganda, the only option available was theatre. Now that films and sports have come back; they too have

gone back to their home. Theatre audience needs re-engineering the audience for it to be able to sustain a professional theatre in Uganda.

It has also been argued that management skills and marketing skills of theatre managers are not aggressive enough to address the competitive environment in entertainment sector. The theatres apparently have remained the same in thematic treatment, staging styles, the same humour, same jokes and lacking novelty and innovation. This makes theatre less appealing. The theatre managers have not done enough to create competitive advantage either through cost leadership or differentiation, as Porter would advocate. (Walley and Des Thwaites 1996)

## **5.6 THE THEORETICAL RELATIONSHIP OF THE CONCEPTS: INFRASTRUCTURE, CAPITAL, INSTITUTIONAL POLICY AND PUBLIC POLICY**

### **5.6.1 Introduction**

The study looked at the concept of entrepreneurship from a broad view of Herbig *et al.* (1994 pp. 37 and 45) who contend that Innovation requires three basic components: “the *infrastructure*; the *capital*; and the *entrepreneurial capacity* needed to make the first two work”. It also examined the implications and effect of public policy and institutional policies onto entrepreneurial capacity to perform effectively as an enterprise.

The study shows that there is an apparent link between infrastructure, capital, public policy and institutional policy. From the study it was clear that both the government and institutions interviewed had not got written policies in place. However, even where the

policies existed, there were marked gaps between the policies of the government and the business sector. In most cases, industries needed to review and upgrade their policies to march the government. While the study revealed that infrastructure and capital are had to distinguish, because when one talks of infrastructure one thinks of assets and assets and capital are inextricably linked. The concepts of assets and skills are also very confusing and are sometimes confused. They can also be referred to as capital, physical and human. Thus the concepts infrastructure and capital may be illusive in getting the exact message one needs from the respondents. More when they have to be translated in local dialects.

## **CHAPTER SIX**

### **CONCLUSION AND RECOMMENDATIONS**

#### **6.1 SUMMARY OF FINDINGS**

##### **6.1.1 Introduction**

The study was about exploring the outstanding challenges that affect theatre industries in the context of trade liberalization. It looked at three areas, namely, the nature of the new market environment (new market reality).

##### **6.1.2 Review of related Public Policies and their influence on Theatre Industries' performance**

It also looked at the extent to which theatre industries have been able to adapt themselves to new market reality within the framework of liberalized economy, review the public policy on liberalization as it affects the infant industry in service sector. Are theatre industries able to compete favourably with other entertainment options on the market?

The study took the view that although there is genuine economy growth caused by liberalization and structural adjustment programmes, theatre industries and indeed the cultural industries do contribute significantly, notwithstanding the challenges born in the process under the harsh conditions of the market, yet there is little evidence to show that government acknowledges this contribution. The diverse entertainment options available to the market require aggressive marketing, after identification of competitive advantage, competitive intelligence and therefore developing a competitive strategy. And that this would be supported by the government policy on cultural industries funding, taxation and investment promotion and protection.

There is gap between the Ministry in charge of culture, under what theatre falls and theatre groups and artists. The government has no outright control over the activities of the theatre. This could be explained by the lack of financial and even technical support the ministry extends to artists. There is good will of the government to support theatre industry as per the newly enacted national culture policy.

There are many associations to which artists and theatrical groups ascribe themselves. They are not united. Many of them to date have long since collapsed, such as Uganda Theatre Directors association, Uganda Theatre halls Owners Association, Uganda Theatre Press Association, Uganda Theatre Guild, and Uganda Dance Council. The collapse has been attributed to weak administration.

Theatre firms have no organisation structure that can protect it in the face of competition. For example, the position of marketing manager in the organgram is not highlighted in the strategic positioning. It is much junior position under that of House Manager, and there is no position for a sales' promotions manager. There is position for the human resource manager. The organgram is basically one-man business.

The study further affirms the challenge of positioning theatre industries in liberalized economy. This was taken by a comparative study of a number of countries examining the role cultural industries plays in national economy; and reveals that there is a significant contribution cultural industries give to the economy. Uganda government has not passed a national cultural policy. Artists themselves too, have difficulty in defining the role of theatre industry in a liberalized economy.

### **The Challenges caused by Infrastructure**

The study showed that there is a huge infrastructure problem. All associations local and international have a problem of coordination within themselves and within the artists and the artistic organisations. It showed that very many associations and organisations have been formed and many have collapsed. This collapse of associations is attributed to poor management, weak administration and lack of coordinating body of artists with the mandate to do so. The study further showed that this leads to uncoordinated actions and unethical conduct among the individuals and groups of theatre companies. The findings also indicate the friction and tension within the artists, which weakens the artistic

industry. There is challenge of visioning by leaders of theatres and what has come out is issue of poor judgment, institutional infrastructure and historical context of the problem.

### **Challenges caused by the Status of Capital in Theatre Industry**

This is due to the fact there is lack of sufficient resource base for theatre industries. Government does not fund theatre industry. The cost of putting up an ordinary show is big and the returns are not commensurate with the input. It costs between US\$ 2,000 and 5,000 (this includes marketing and publicity, staging costs, theatre hire, transport and welfare and professional fees for artists) and the returns may be between US\$ 1,600 to 5,000 a weekend. We don't have an audience to support a professional theatre practice in a commercial sense. Commercial Theatre is urban based where a ticket is between US \$ 3 to 10. When it goes to rural areas it goes for US\$ 1 to 2.

There is also a problem of access to financial markets. Theatre Groups have problems in accessing loans from Banks. The Banks think these artists are rogues and cannot be trusted. There is no central source of funding available to artists or cultural industries to be accessed.

Artists are getting support private sector. Big industries have come out to identify themselves with theatrical activities. For example, the Pearl of Africa Music Award, (PAM award) event, all the funding was from the private sector. The event involved four countries Uganda, Kenya, Tanzania and Rwanda.

### **Assessing The Capacity To Handle Capital And Infrastructure**

Theatre industries are split up into pop music industry, classical music industry, gospel music industry, Kadongo Kamu music industry, traditional music industry, dramatic theatre, musicals, dance theatre, ballet theatre, contemporary dance theatre, literary publications. The pop music theatre has developed its audience and stands out as getting stronger and stronger. Kadongo Kamu music industry is working fairly well. The rest are not doing as well. As to whether those areas that are doing well have the capacity to handle capital and infrastructure, is a technical issue. The majority of theatre industries sectors show lack of capacity to handle infrastructure and capital. The performance acumen is based on talent for some performers and not on skills. It is based on apprenticeship and not formal training. The business management of the industry is based on common sense and intuition rather than entrepreneurship and innovation.

Competitive Advantage of theatre industries is the live event, as well as portable recordings, which are capable of being exported, as CDs, Cassette tapes, published music scores, and audio-video recordings for both local and global markets. Artist-entrepreneurs have not markedly established and developed their competitive advantage against all other entertainment industry options.

The training at Music Dance and Drama Department in Makerere University, graduates (those in music) finally go to schools, colleges such as Teacher Colleges, and those in Dance go to schools and colleges, and Drama some go to radio and television broadcasting and presentation, some go to music especially pop music performance. All

of them feed into tertiary institutions. They all train with focus to creating a professional performer, skilled and intellectually well equipped.

## **6.2 CONCLUSION**

### **6.2.1 Introduction**

This section draws conclusions from the findings in a summarised form.

### **6.2.2 Review of Public Policies and the theatre industries**

The results of the study have shown that although economic liberalization has scored highly in some industries, it has not been supportive in theatre industries. Theatre industries themselves have been slow to adapt to the changing market reality, government has tended to be aloof about theatre industries and cultural industries in general, and this has been exacerbated by the fact that visioning capacity of theatre industry leaders has not addressed market reality with adequate emphasis.

By comparing with other countries, it has been shown that cultural industries and theatre industries contribute significantly to the national economic growth and performance in GDP and GNP Uganda has not studies the policies well enough to appreciate the role cultural industries plays in the liberalized economy. The country may be loosing millions of money as a result of this knowledge gap. With the emergence of The East African Community Common Market, a lot has to be done to protect the infant industries, like theatre.

### **6.2.3 Challenges caused by Infrastructure**

It has been argued and it affirms the view presented by Slevin and Covin (1990: 43) that the three elements of entrepreneurship, namely, infrastructure, capital and organisational behaviour and culture are not sufficient to ensure organisational success. They maintained, “A successful firm not only engages in entrepreneurial managerial behaviour, but also has the appropriate culture and organisational structure to support such behaviour”

The structural inadequacy in theatre industry: the absence of over-all organization to oversee, monitor the conduct of theatre practice and need for an agency or organisation to be a mouthpiece for artists. The biggest challenge for theatre industries is from within. The make up of the theatre industries is not yet developed to enable them stand on their own. The theatre industries have internal dynamics, which may injure the internal cohesion. The lack of ethics and integrity, and the erosion of trust and crisis of confidence among the artists require firm discipline in the trade.

The common factor in this study is congruency between institutional policy and public policy. There is apparent mismatch between the policies of the government and those of the institution. In fact, there are policies that are yet to be put in place, such as trade policy, competition policy, and culture policy. The theatre managers need to be sensitized about liberalisation and its implications and consequences.

#### **6.2.4 Challenges caused by status of Capital in Theatre Industries**

Because the ministry in charge does not have financial input in the theatre industries, it is not involved in many of the activities of theatre. There is a big divide between the ministry in charge of culture, where theatre falls and the theatre industries. This explains why on many cultural activities, say Universities' cultural galas, cultural events at kingdom level or special events like PAM award functions, ministry officials are not invited.

### **6.2.5 The Capacity to handle capital and infrastructure in theatre industries**

The study has established that theatre industries due their fragmented nature of make-up cannot competently compete in the entertainment industrial sector. Many theatre firms have not established their competitive advantage nor have competitive intelligence to develop a competitive strategy for their industries. And as a result many theatre firms have collapsed, theatre halls have also died and many associations too, have collapsed. They have failed to utilize new technology extensively, undermined the importance of marketing in their institutional infrastructure.

## **6.3 RECOMMENDATIONS**

### **6.3.1 Introduction**

The findings of the study lend themselves to a number of recommendations:

### **6.3.2 Review of public policies in relation to the theatre industries**

#### *6.3.2.1 There is need to put in place a National Cultural Policy*

The absence of National Art and Cultural Policy leaves an administrative and policy gap.

The theatre practice has been confused about how to talk to the policy makers, bargain

for their rights and who to be their mouthpiece to communicate their interests to the powers that be. It also denies them a common platform or forum to share interact, and plan for their industries. Cultural industries should be well articulated in the Cultural Policy, and sufficient attention placed on how to make cultural industries an investment area for local and international investors.

#### *6.3.2.2 Culture and Arts should be attached to Ministry in charge of trade and industry*

The traditional link of culture to gender labour and social development does suffocate culture as an industry. This view comes in the realization that culture has misconceived to be a public good. While antiquity and museum are public good, music theatre and film and dance are a private good. These are free to harness the market as individual practitioners aggressively approach the market.

#### *6.3.2.3 Policy and legal framework of the culture and the arts should be reviewed and updated*

The Culture Policy, Culture Forum, Copyright and Neighbouring rights law, stage play and public entertainment law, need reinvigoration and revitalization to much with the current needs.

### **6.3.3 The Infrastructure in Theatre industries**

#### *6.3.3.1 Create and strengthen the institutional infrastructure*

The government of Uganda should follow up with enforcing the newly passed copyright law. The stage play and public entertainment Act should be reviewed and updated to

cover the current realities in the market. A centrally placed organization to oversee all theatre arts and industry performance should be set up. This will become the lobbying organ and mouthpiece for artists. It will also weed out the new comers in theatre industry who pests like karaoke, bimansulo, video makeshift houses and others.

### **6.3.4 The Status Of Capital In Theatre Industries**

#### *6.3.4.1 There is need to address Uganda's Theatre / Cultural industries under-funding*

Results have shown that theatre industries in particular music industry is doing very well. It is also evident that theatre is not funded As for National Theatre, government subvention ceased years back. Private theatre companies should be subsidized since taxation and other related policies are harsh to them the VAT and other related taxes. Government, can do a great deal to promote the competitiveness of the country in the music sector, theatre and film e.g. through increased financial support, improved infrastructure or institutions, including facilities, tax incentives for the creative industries, strengthening the school systems, recognizing the economic significance of the music and theatre industries and promoting interest.

### **6.3.5 The Capacity To Handle Capital And Infrastructure**

6.3.5.1 *The need to introduce teaching of theatre economics in institutions training theatre artists.*

Theatre professional training includes the art of theatre management and administration, aesthetics, legal framework of art. Training in theatre in tertiary institutions should introduce studies in performing arts entrepreneurship and cultural economics studies. The current curriculum should now be made to cover theatre economics. This will integrate theatre practice in the broader context of the market and national economics. And or a course of cultural industries administration and management at Bachelor's level should be introduced in universities or tertiary institutions. The prospects of creating cultural entrepreneurs

6.3.5.3 *Restructure Theatre Institutions*

Theatre organisations should be restructured to march with current market forces. Marketing is central in competitive environment. The position of marketing manager and sales manager therefore crucial and should be introduced,

## **6.4 AREAS FOR FURTHER RESEARCH**

The study has identified a number of issues, which call for further research.

There is need for further research to explore the contribution of cultural industries to national economy, report analyzing and detailing with the contemporary music and theatre industries in Uganda in cultural, economic and industry development terms. The outcome from this Research “**Creative Industries in Uganda: Cultural Mapping and**

**Value Chain Analysis**". It should be with two additional reports: Uganda Music and theatre Industries Basics: People, Businesses and Markets and Ugandan Music and theatre Industries Trends: and investment prospects.

Another area for further research is the assessment of the theater industries in the context of new technological development, challenges, coping mechanisms and proposals for theatre managers and investors in theatre and cultural industries.

## REFERENCES

P'Chong Lubwa (1987) **Where from and where to now? A historical perspective of Drama in Uganda leading to the Question where to now?** Durham University (unpublished MA Dissertation.)

Lwanga Peter Clever (1988) **Musical Theatre in Uganda 1960 – present day**, Leeds University (unpublished MA Dissertation.)

Bloch, Peter H (1955 "Seeking the ideal for Product Design and Consumer Response" *Journal of Marketing* 59, (July) 16-29.

Casey, Bernard H. (1999) **Management Skills In The Culural Sector: Contradictions, Needs And Remedies**, Conference Paper at Critical Management studies Conference Univ. of Manchester, UK July 14-16 1999

Kellerman, Bert J. and Kellerman May Ann

Axel T. Paul, (1990) **"Tugende e Kampala"** (Notes on the Theatre in Uganda) Freiburg University (published.)

Okanya Geoffrey (1991). **The Performance of National Theatre**, National College of Business Kampala, UDBS Research Paper (Unpublished.)

Omara-Okurut, Augustine (1987) **“The Evolution of Uganda’s cultural policy”** City University (London, UK) MA (Arts Management) Thesis, unpublished

ISHRAT, Hussein and RASHID Farouk (eds) (1996) **Adjustment in Africa, lessons from country case studies.** Alder shot, Avebury, IBRD/The World Bank.

David Simon et al (eds) (1995) **Structurally Adjusted Africa: Poverty, Debt and Basic Needs** London, Pluto Press.

Lenski R, (1996) **Structural Adjustment in Sub Saharan Africa** London, Longman Group, UK Ltd.

Mirembe Ntangaare, Mercy (2001) **Theatre and the Market** Makerere University (PhD Thesis, unpublished)

Musiitwa Robert (2002) **Challenges Facing the Management of Theatres,** Makerere University, (B.A Drama Dissertation Unpublished)

Kisense Dan Isiko (1987) **Audience** Paper presentation at a workshop, for Project Theatre Studio Kampala

Sentongo Nuwa (1998) **Historical Development of Theatre in Uganda,** Paper presented at a workshop, at National Theatre, Kampala.

**Bazaale Augustine (1993)** Ugandan copyrights Law Crisis and its Development

Implication **Law Development Centre, Dip law Dissertation, un published.**

Lepik, Marko (2005) The limitations of Cost-benefit Analysis in Assessing Cultural Policies: The Case of Theatre Policy (M.A. Dissertation, Tartu, unpublished)

Hoekman B *et al* (2002) **Development, Trade and The WTO: a Handbook.** World Bank

Hierbert Murry and Klatt B (2004) **The Encyclopaedia of Leadership: Leadership theories and Techniques,** Tata McGraw Hill edn.

Payne Adrian (2003) **The Essence of Services Marketing,** New Delhi, Prentice Hall of India

Kermally Sultan (2004) **Gurus on Marketing,** New Delhi, Viva Books Private Ltd

Bourne and Allgrove ( )prospects for exports of entertainment services for the English speaking Carribean: The Case of Music

Hill Elizabeth *et al* (1995) **Creative Arts Marketing**, Mussleburgh Scotland, Butterworth Heinemann

Diggle Keith (1984) **Guide to Arts Marketing: Principles and Practice of Marketing as they apply to the Arts**, London, Rhinegold Publishing.

Zawedde Sarah (2000) **Factors Influencing the Audience turn up for Theatrical Performances in Kampala Uganda**, Makerere University, B.A. (Drama) Dissertation, Unpublished

Thirlwall, Anthony P (2000) **Trade, Trade Liberalisation and Economic Growth: Theory and Evidence**, (Economic Research Papers No 63) Abidjan The African Development Bank.

Mpagi Sewanyana Jamil (1997) **Factors Constraining Entrepreneurial Success in Selected Small Scale Enterprises SSEs in Uganda**, Makerere University, MBA Dissertation, Unpublished

Drucker Peter F (1955) **The Practice of Management**, Oxford, Butterworth Heinemann

Allard, Gill (1998) **Entrepreneurs, Aesthetes and Electronic Markets: Researching Commodification in a symbolic Space**, University of Glamorgan

\_\_\_\_\_. (1985) **Innovation and Entrepreneurship**, Oxford, Butterworth Heinemann

Power, Dominic (ed) (2003) *Behind the Music, Profiting from Sound: A system*

*Approach to the Dynamics of The Nordic Music Industry*, Nordic Industrial Fund

(Centre for Innovation and Commercial Development)

\_\_\_\_\_. (1989) **Managing for Results**, Oxford Butterworth Heinemann

Pearce J. A & Robinson R B Jr. (2003) **Competitive Strategy** (8<sup>th</sup> Edn.) Boston McGraw Hill, Irwin

Porter, M.E. (1995) **The Competitive Advantage of the inner city**, *Harvard Business Review*, May June, pp55-71

Porter, M.E. (1990) **The Competitive Advantage of Nations**, New York, Free Press

Peteraf, M. (1993) **The cornerstones of competitive Advantage: a resource-based view**. *Strategic management Journal* 14 pp. 179-191

Kogut, B (1985) Designing global Strategies: Comparative, Competitive Value-added Chains. Sloan Management Review, Summer 15-28

Fahey, L. (1989) Discovering your firms strongest Competitive Advantage, cited in Fahey ed. The strategic Planning Management Reader, Eagleood Cliffs, NJ Prentice Hall pp. 18-22

Ludo et al (1992)

Porter (1985)

Kosweska M (2005) International Competitiveness of Protective Clothing Manufacturing, *Journal of European Integrative Technology* 13. no.4 (52)

Motta, Massimo ( ) Competition Policy, Theory and Practice, Cambridge University Press.

Grierson, E. M. (2003) The Arts and Creative industries: New alliances in the Humanities. Paper at Hawaii International Conference on Arts and Humanities

Garland et al (1984)

Sterward et al (1998)

Emarsson, (2004) Economic Importance of Culture (Icelandic) *Journal of Mal and Menning* 62 (3) 43-50

----- (2004) Economic Impact of Music Sector (Icelandic), faculty of Economics and Business Administration, University of Iceland, Reykjavik

Held et al (1999) Global Transformations, Politics Economics and Culture, Polity Press, Cambridge

Bendixen, P. (1998) *Einfitting in Die Kultur- und Kunston Konomie*, Westdeutscher Verlag: Opladen

Peacock & Rizzo (eds) (1994) *Cultural Economics and Cultural Policies*. Klower Academie Publisherd Dordrecht

Haydon (2000) Cultural statistics within Developed statistical Systems (Australia and Canada) in world Culture Report: Highlights, Part Five. Methodology, Buiding Cultural Indictors, UNESCO. Paris

[Herbig et al \(1994\)](#)

[Miller and Morris \(1999\)](#)

[Drucker \(1994\)](#)

[Sundbo \(1998\)](#)

[Bright \(1969\)](#)

[Cooper \(1998\)](#)

[Green et al \(1995\)](#)

[Katila \(2002\)](#)

[Utterback](#) cited in Cooper (1998) page 498

[Draft \(1978\)](#) cited in Cooper (1998) p. 497

[Slevin and Covin \(1990\)](#)

Hoskins and McFadyen, ( ) the U.S. Competitive Advantage in the Global Television Market. Is it sustatinable in the new Boadcasting Environment?

Schuster, Jry (1999) the other side of the subsidised muse: Indirect Aid Revisited,

*Journal of Cultural Economics* 23 (1/2): 57-70

Ferris et al (2004) New Approaches to market Information to enhancing agricultural competitiveness in Uganda. *Uganda Journal of Agricultural Sciences* 2004, 9: 736-742

Serunjogi et al (2004) Challenges and Success on Cotton Variety Development under changing Policies Stakeholders' Needs Production Environments and market Forces in Uganda. *Uganda Journal of Agricultural Sciences*, 2004, 9: 750-757

Serunjogi et al (2003) Varietal Development for Varied Stakeholders needs in the liberalised cotton industry of Uganda. *Uganda Journal of agricultural Sciences* 2003, 8: 55-66

Hussain, M. Nureldin (2000) Linkages Between SMEs and Large Industries for Increased markets and trade: an African perspective. *Economic Research Papers No.53* African Development Bank

Thirlwall, Anthony P.(2000)Trade, Trade Liberalisation and Economic Growth: Theory and Evidence *Economic Research Papers No.63* African Development Bank

Mwaba, Andrew (2000) Trade Liberalisation and Growth: Policy Options for African Countries in Global Economy *Economic Research Papers No.60* African Development Bank

MFPED (GoU) (2005) background to The Budget for Financial Year 2005/06 (Increasing Investment, employment, Productivity and Household Incomes through Public expenditure)

Uganda Bureau of Statistics and Bank of Uganda (2004) The Informal Cross Border Trade Survey Report 2004 (Phase 1, October 2003 – January 2004)

Benin (2004) Enabling Policies and Linking Producers to markets, *Uganda Journal of Agricultural Sciences*, 2004 9:871-886

Chirshansen et al (2004) Is Peoria ready for the Arts? Peoria Area Chamber of Commerce- Illinois Central College, Community Leadership School Class Project, Class 2004

Casey, Bernard H. (1999) management Skills in the Cultural sector, Contradictions, Needs and Remedies” Paper at Conference on Critical Management Studies Conference, May 1999, *Cultural Industry Journal*

Yagi, Tadishi (2005) “Labour market of Cultural and Media Industries” Deshisha University

Duarte, Nelson (2003) the Existent relation Between Development and Entrepreneurial strategies- a preliminary Analyses ERSA Congress (Peripheries, Centres and Spatial Development in the New Europe)

Einarsson, Agust,(2004) **Entrepreneurship as part of the Creative Industries within the Cultural Sector in a Small Society**, Faculty of Economics and Business Administration, University of Iceland

Nielsen Tobias, (2004) Understanding the Experience Industry, A Swedish Perspective on Creativity Analys QNB and Kommunikation, AB

Leadbearer, C and Oakley K,. (1999) **the Independents**

Wilson, Nicholas and Stokes, David (2002) “Cultural Entrepreneur and Creating Exchange” , in *Journal of Research in Marketing and Entrepreneurship*, Vol. 4 Issue 2 pages 37-52

Kotler Philip, (2003) **Marketing Management** (11<sup>th</sup> Edn.) Pearson Education, Asia, Prentice Hall, Marketing

Scott, Michael (1977) **The Craft Business Encyclopedia: The Modern Craftsperson's guide to Marketing, management and Money**; San Diego, A Harvest Original

D.K. Banwet, Kirankumar Momaya, Himanshu Kumar Shee (2005) **Competitiveness through technology management: an empirical study of the Indian software industry** International Journal of Services Technology and Management, Volume 4, Number 2. pages 131-155

## ANNEXES:

### **Secondary Data Guide and Interview Guide**

#### **LIBRARY/INTERNET AND POLICY MAKERS**

1. What in summary is the economic liberalisation all about?
2. What is the role of cultural industries/ creative industries in economic development of the country?
3. In which way has economic liberalisation, in particular fiscal policies affected theatre industries?
4. What is the leaning of trade regimes of Uganda's Trade policies?
5. How far does this help integrate Uganda as a developing country into the general framework of WTO, and where does Theatre industry lie?

6. How does Culture Policy define Theatre Industries?
7. How does it create an enabling environment for infant industry like theatre?
8. Is there a framework for protecting industries like Theatre in the competition policy?
9. How effective are the measures created, in offering protection in anti-monopoly trade giants?

## Interview Guide

### ARTISTS, THEATRE MANAGERS AND DIRECTORS

1. How far do institutions develop their own policies in the face of competition?
2. How far have theatre Firms been sensitive and responsive to the liberalisation policies?
3. How have they reacted to the new market realities?
4. What is the existing network and alignment in Ugandan Theatre industries?
5. What is the nature of a typical institutional organisational infrastructure in Theatre industry? What are the limitations?
6. What innovative approaches or strategies have the artists created to enable them meet the challenges of competition? How viable is this approach?
7. To what extent has physical infrastructure and the venue contributed to the challenges Theatres have had to bear? Any evidence?
8. What is generally the legal status of the majority of theatre firms?

9. What were the original objectives of the organisation?
10. Have they changed with time? If “yes”, Why?
11. What are the current sets of objectives?

## **1. Focus Group Discussion Guide**

### **A. The Directors of Theatres**

1. Who are the competitors to Theatre Industries
2. Do you notice any change between the competitors in entertainment Industries ten years ago and those of ten years ago?
3. If the answer is “yes” to the above question, what elements make the new competitor different?
4. How does this influence theatre industries’ performance?
5. Is Theatre a cultural activity or an economic activity?
6. What are major things you wish to have to make you compete well in this liberalised economy?
7. Who are your customers now?
8. Who were your customers ten to fifteen years ago?
9. Whom would you like to be your customers ten years from now?
10. Do you notice any change between customers now and the customers ten years ago?
11. If the answer to the above was “Yes” in which way is the new customer different from that one ten years ago?
12. How does this (if any) influence the performance of theatre industries today?

13. What forms of competition do exist in the market?
14. Which of these ones are new on the market today?
15. Do they influence theatre industries performance?
16. Are there any government policies that you think are not favourable to the establishing an enabling environment for theatre industries to perform?
17. Which ones?
18. In which way are they a hindrance to successful performance of your Theatre Company?
19. What are your recommendations?

**B. Ministry officials: Ministry of Tourism, Trade and Industry, Ministry of Gender, Labour and Social Development, Ministry of Finance, Planning and Economic Development**

***B.1 Ministry of Tourism Trade and Industry***

1. Do you have trade policy?
2. What does it say about service industries, especially infant industries?
3. Do you have competition Policy?
4. What does offer to the Theatre Industries?
5. Do you have a competition law?
6. In which way are the arts and cultural industries protected?
5. Is theatre a cultural activity or an economic activity? Explain further.
6. What relationship does exist between your Ministry and theatre industry?
7. What relationship would you like to exist between your Ministry and Theatre Industry?

8. Do you have any vision about theatre industries in the country? Explain briefly.

**B.2. Ministry of Gender, Labour and Social Development**

1. What Policies do you have relating to theatre industry?
2. In which way are they influencing theatre industries?
3. In which way are theatre industries protected against intruders such as karaoke shows, Bimansulo, makeshift video houses, and piracy of music and drama?
4. What is your opinion on Stage Plays and Public Entertainment Act?
5. Is theatre a cultural activity or an economic activity? Explain further.
6. What relationship does exist between your Ministry and theatre industry?
7. What relationship would you like to exist between your Ministry and Theatre Industry?
8. What is your vision of Theatre industry in Uganda?

**B.3 Ministry of Finance, Planning and Economic Development**

1. Do you have policies that relate to theatre industry?
2. Do you have laws that relate directly to theatre industry?
3. In which way do they interact with theatre industry?
4. Is theatre a cultural activity of an economic activity? Explain further.
5. Is Theatre regarded under an informal sector or formal sector? Explain further.
6. What contribution to GDP, if any, is Theatre industry able to make?
7. Any plan to subsidise theatre industries? Explain more.
8. Any plans to increase funding to theatre industries