

National Newspapers and the Development of the Informal Sector in South-South Nigeria

Ashong, C. Ashong^{1*} Nkoyo U. Umoh²

1. Department of Communication Arts, University of Uyo, P.M.B. 1017, Uyo, Nigeria
2. Department of Communication Arts, University of Uyo, P.M.B. 1017, Uyo, Nigeria

*E-mail: acashong@yahoo.com

Abstract

The paper examines the coverage of the informal sector of the economy in South-South Nigeria by the country's elite daily press. It begins by re-iterating the value of the informal sector in Nigeria and notes that like other aspects of human and social development, the media would be invaluable in helping the sector to blossom and contribute its quota to improving the lives of Nigerians. Using a combination of content analysis and survey, it investigates the nature of coverage and concludes that coverage is scanty, heavily skewed in favour of crime related stories and items of commercial value to the media while neglecting advocacy that would have enhanced the growth of the sector. Consequently, participants in the informal sector are generally dissatisfied with media coverage and are thus not likely to be enthusiastic about media content. The paper then recommends measures that would better position the media to contribute more meaningfully to the development of the informal sector in Nigeria.

Keywords: media, press, coverage, informal sector, development.

1. Introduction

The informal sector, sometimes referred to as Small and Medium Enterprises (SMEs), has been recognized by governments and development experts as a potential engine of economic growth and a major factor in promoting private sector development and partnerships. SMEs play a particularly significant role in the economies of developing countries and hold great potentials for poverty reduction. In fact, many blame the high rate of poverty in developing countries on the lack of productive employment opportunities and the underdeveloped informal sector.

The value of newspapers in particular and the mass media in general as development agents has been well documented (Ashong, 1996). The World Bank acknowledges the importance of the utilization of communication in development processes and highlights the impact of communication by the types of outcomes produced, including change in knowledge and attitude, behavioural change, empowerment and capacity building, coalition building and partnership, resource development, etc. (Inagaki, 2007 p. 24).

Incidentally, Nigeria is amply supplied with a variety of mass media, ranging from radio and television to newspapers and magazines of all sorts. The new media, even if not wide spread, are also a familiar phenomenon among the more educated elements of the population. Together, these media serve the purposes of information, motivation, debate and discussion, education, cultural promotion, integration and, of course, entertainment.

Historically, Nigeria first came in contact with the print media as far as mass media are concerned. In fact, the history of the Nigerian media began with the establishment of the first printing press in Calabar by the Reverend Hope Waddell of the Church of Scotland (Presbyterian) Mission in 1846. This was followed by another press established in Abeokuta by Reverend Henry Townsend in 1854. The first newspaper *Iwe Irohin fun Awon Egba Ati Yoruba* emerged in 1859 and was printed in Yoruba (one of Nigeria's numerous indigenous languages). Its English edition came on board in 1860 with the primary objective of cultivating a good and appreciable reading culture among its audience.

Initially, its contents concentrated on the activities of the church but with the birth of more secular media and the rise of the nationalist movement, the focus shifted to the struggle for independence. When Nigeria attained self

determination on October 1, 1960, the national media shifted attention to the most pressing national concern – national development. Ever since, the Nigerian press has been involved with the roles of advocacy, agitation, investigation, interpretation of public affairs and dissemination of information. It is in view of these roles that this study seeks to establish the relationship between the press and the informal sector, focusing on the contributions of newspapers to the development of the informal sector as well as the Nigerian economy.

2. On Development and the Media

Development has been defined differently by various scholars depending on the context within which it is discussed. To some it means “bringing out the latent possibilities”. Another meaning connotes a “state of economic advancement” while some people view it as “advancement through progressive stages.” In this context, it is the positive transformation/change of people’s ways of living, attitudes and behaviours as a result of their exposure/access to relevant, adequate and timely information services courtesy of the prevailing digital age/revolution (Ssesanga, 2009, p. 1). Development is not purely an economic phenomenon, rather a multi-dimensional process involving reorganization and reorientation of the entire economic and social system. The basic goals of development according to Todaro and Smith (2003:p. 22) are to:

- Increase the availability and widen the distribution of basic life sustaining goods such as food, shelter, health and protection;
- Raise standards of living in addition to higher incomes, the provision of more jobs, better education and greater attention to cultural and human values, all of which will serve not only to enhance material well-being but also to generate greater individual and national self esteem;
- Expand the range of economic and social choices available to individuals and nations by freeing them from servitude and dependence, not only in relation to other people and nation states, but also to the forces of ignorance and human misery.

From the aforementioned goals of development, it can be deduced that development aims at promoting:

- Economic growth to secure food and other requirements for the population;
- Social justice to reduce inequality;
- Employment as a means of earning an income and as an ethical and social value;
- Participation as political involvement and social sharing;
- Independence as freedom from external domination (Frithjof, 1987:23).

3. The Nigerian Informal Sector

Small and Medium Enterprises (SMEs) in Nigeria have always been defined in terms of capital investment and size of labour force by the National Council of Industry. According to this body, Micro enterprises have a capital outlay of ₦0.1 million or less, and a labour force of up to 11 people while Small Enterprises tend to have a capital base of not more than ₦40 million and a maximum of 35 workers. Medium Enterprises are said to have a capital base of between ₦41 million and ₦100 million and a maximum of 100 employees (NCI, 1996).

However, following the Lisbon convention of 2005, these definitions were modified to align with the ideas current among members of the European Enterprise Commission. This led to a new SME definition which incorporated micro enterprises as part of SMEs. Although the acronym has not changed, SMEs, according to the new definition refers to Micro, Small and Medium Enterprises with fewer than 250 employees and an annual turnover not exceeding 50 million Euros.

According to the European Union (2005:3), “Micro, Small and Medium sized enterprises (SMEs) otherwise referred to as the informal sector are the engine of the economy. They are an essential source of jobs, create entrepreneurial spirit and innovation in the European Union (EU) and are thus crucial for fostering competitiveness and employment”. This recognition represents a major step towards an improved business environment for SMEs and aims at promoting entrepreneurship, investment and growth.

Here in Nigeria, the informal sector is a vast and heterogeneous sector operating in a number of fields. They provide unsophisticated services at costs generally affordable by the generally poor consumers. The sector is

populated by people with usually low levels of formal education but who have acquired some basic skills on the job. These small enterprises contribute immensely in reducing unemployment as they provide more than 50% of the employment in the non-agricultural sector. Ekpo and Umoh (2010 p. 3) identify the following roles played by the informal sector in the growth and development of the Nigerian economy:

- (i) Provides productive outlets for a large number of people who prefer or have to be self-employed;
- (ii) Encourages competition in the economy;
- (iii) Provides outlets for experienced specialist manpower from the medium and large scale enterprises who wish to be self-employed, using minimal capital;
- (iv) Reduces the level of unemployment, even if many of the people are underemployed.
- (v) Stimulates and enhances innovation and adaptation;
- (vi) Helps in the mobilization of capital and human resources which would otherwise have been laid waste and idle thereby increasing the utilization of virgin reusable materials.

The type of activities prevalent in the sector are varied and include: vehicle repair, radio and electronics repair, watch repair, refrigerator repair, manufacture of bricks and aggregates for building construction, herbal medicine concoction, trade in various goods, crude mining activities, etc. They are found both in rural and urban areas and their activities are little regulated because they are in many instances unregistered.

4. Statement of the Problem

In recognition of the enormous potential roles of SMEs, various special measures and programmes have been designed and policies enunciated and executed by government to encourage their (SMEs) development and hence make them more vibrant in Nigeria. Some of these measures include: fiscal incentives and protective fiscal policies; specialized financial institutions and funding schemes for the SMEs; favourable tariff structure; the SMIEIS funding scheme; selective exemption and preferential treatment in excise duties; establishment of Export Processing Zones; selective reservation of items for exclusive manufacture in the SME subsector; government's full weight and support for NEPAD and AGOA activities and operations. It has, however, been worrisome that despite the incentives, policies, programmes and support aimed at boosting the SMEs, they have consistently performed rather below expectation in Nigeria.

It has been observed that despite the informal sector's assumed economic prowess, it appears to be an insignificant part of the Nigerian economy. Flipping through the pages of the newspaper, watching the television, listening to the radio, browsing through the internet, one finds that news about the informal sector does not seem to receive prominent attention by the Nigerian media; it seems to be portrayed in low light. Rather, when entrepreneurs in this sector get involved in demeaning activities, they tend to attract media attention.

Over the years, the United Nations and the Nigerian government have been emphasizing the development of the informal sector of the economy. In the light of this therefore, one wonders: What is the contribution of the press to the development of the informal sector in Nigeria?

5. Objectives of the Study

The aim of this study was to:

1. determine the volume of coverage of the informal sector by the press;
2. determine the level of prominence accorded activities of the informal sector by the press;
3. identify the kind of activities of the informal sector that attract the most attention of the press;
4. determine the overall contribution of the press to the development of the informal sector.

6. Methodology

The study combined content analysis and survey to investigate the nature of contribution made by the national press to the development of the informal sector in Nigeria. While content analysis focused on examining the output of the newspapers, the survey aspect studied the opinion of players in the informal sector principally to find out whether they were satisfied with the activities of the press in relation to their business lives.

Three national daily newspapers (two general and one specialized) were selected on the basis of their popularity amongst newspaper readers and regularity of publication. These are *The Punch*, *The Nation* and *Business Day*. It was reasoned that the weekend editions of these papers be excluded since they focus mainly on entertainment and human interest issues. This left us with a population of five editions per week for 52 weeks for each of the three newspapers, yielding a total of 780 editions for the year 2011. A skip interval of 3 was employed to select a sample of 93 editions from each of the three newspapers, yielding a total of 279 for the study.

The Unit of Analysis was the story while the content categories included: advocacy, interpretation of government policies, business tips, financial information, market linkage; with frequency and prominence of report providing the coding parameters.

Advocacy

Generally, media advocacy here emphasizes news stories that promote the SMEs in the informal sector and draw the attention of the government as well as other stake holders to the challenges, needs and prospects of the informal sector in Nigeria.

Interpretation of Government Policies

News items containing objective, comprehensive analyses of government policies, taxes and other regulations as they affect SMEs, reviewing, analyzing, appraising or criticizing, as the case may be, activities of government agencies and programmes.

Business Tips

Information educating SMEs on best practices in entrepreneurship and the media's business information networks for SMEs: such networks are aimed at providing SMEs with a one-stop shop for relevant local, regional and global business information. This could be Business Partnership Programmes within broader multi-sector partnerships. For instance, the World Bank's cooperation with transnational corporations to use their expertise in supporting SMEs to meet required performance standards for their sustainable integration into global value chains in Nigeria.

Financial Linkage

This category determined the media's provision of information on access to loans and grants for SMEs, linkages with private/international equity funds etc. which can help entrepreneurs seeking strategic alliances with private equity funds especially at critical stages of their growth process. SMEs can, through the media, access equity capital and complementary technical support.

Market Linkage

This records the media's provision of information on locations where particular products/services are manufactured or needed. Promoting market linkage involves the connection of what a sector produces with others who produce a different product that may be needed by such a sector, thereby linking those that have funds to use with those that have the products and those that have excess of one product and may need another product.

For the survey, the multi-stage sampling technique was employed to arrive at a proportional sample size. The South-South geopolitical zone of Nigeria consists of six states belonging to three blocks as follows: Akwa Ibom/Cross River both carved out of the old South Eastern State; Bayelsa/Rivers both belonging to the old Rivers State and Delta/Edo states both belonging to the old Bendel State. One state was selected from each of the blocks. These were Akwa Ibom, Edo and Rivers.

For each of the states selected, the state capital provided the focus simply because each state capital represents a genuine collection of the entire state and generally is the most attractive location for small businesses on account of the large market it supplies. It is also usually the most developed in terms of supporting infrastructure for

business like electricity, roads and accommodation. Clusters of business areas or busy streets that play host to the most business premises were selected from each state capital and the sample was then split in proportion to the estimated population of persons involved in the informal sector in each state as suggested by Stanbic IBTC Annual Report (2008) which indicated that there are about 10.9 million traders and small scale businessmen in Nigeria. An arbitrary one-sixth of this population was attributed to the South-South zone since it is one of the six geo-political zones in Nigeria, yielding an estimated population of 1.82 million.

Following Mayer's (1979) suggestion, a sample of 384 was selected as follows: Akwa Ibom 122; Edo state 100 and Rivers state 162 based on the population of each state.

The subjects responded to a 20 item questionnaire designed by the researchers which sought demographic and study specific information. The questions were close ended multiple choice items for the most part that sought information on the types of business they engaged in, their consumption of media products, their business information expectation as well as their perception of media coverage of the informal sector. Data were analyzed using descriptive statistics.

7. Data Presentation

The researchers personally administered copies of the questionnaire to respondents at their business premises and in all cases waited for the respondents to complete them which is why all 384 copies were retrieved and analysed for the following results.

The majority of the respondents are 40 years old or younger (83.6%), possess an educational qualification less than a university degree (73.5%) and are currently in a marital relationship (66.6%). The nature of business in which they engage ranges from family-owned businesses (25.3%) to private limited companies (12.4%) with the majority being sole proprietorships (58.1%). The smallest category is partnership (4.2%). The most remarkable fact about the demographics of the respondents is that not only are they sole proprietorships, the vast majority of them have fewer than 11 employees (98.2%).

The following tables display cogent information that meets the set objectives of the study.

Table I. Frequency of Stories

Newspapers	Types of News Item						Total
	Lead Story	Editorial	Feature/ interview	Advertorial	Cartoon	Column Articles	
The Punch	0	0	3	1	0	3	7
The Nation	0	0	0	1	0	1	2
Business Day	0	0	7	4	0	11	22
Total	0	0	10	6	0	15	31

Table 2. Prominence of Stories

Newspapers	Front/back page	Centre spread	Inside page	Total
The Punch	0	0	7	7
The Nation	0	0	2	2
Business Day	0	0	22	22
Total	0	0	31	31

Table 3. SME Activities that Attract Media Attention

Activities	No of respondents	Percentage
Failed businesses	20	5.2
Crime	152	39.6
Innovation	40	10.4
New business	15	3.9
Those who buy media space	157	40.9
Total	384	100

Table 4. Media Contribution to SME Development

Media Contributions	No of respondents	Percentage
Prompt news coverage	32	8.3
Advocacy	32	8.3
Interpretation of government policies	113	29.4
Business tips	100	26.0
Financial linkage	8	2.1
Market linkage	78	20.3
No contribution	21	5.6
Total	384	100

Table 5. Respondents' Satisfaction with Media's Portrayal of SMEs

Scales	No of respondents	Percentage
Highly satisfied	10	2.6
Satisfied	42	10.9
Averagely satisfied	77	20.1
Fairly satisfied	50	13.0
Not satisfied	205	53.4
Total	384	100

Table 6. Opinion on Adequacy of Media Coverage of SMEs

Opinion	No of respondents	Percentage
Very adequate	15	3.9
Adequate	42	10.9
Averagely adequate	24	6.3
Barely adequate	67	17.4
Inadequate	221	57.6
No opinion	15	3.9
Total	384	100

8. Discussion of Findings

The results obtained from the administration of the questionnaire are discussed below on the basis of the research questions posed for the study.

8.1 Question One: *What is the volume of coverage given the informal sector by the Nigerian press?*

As shown in table 1 above only a total of 31 stories appeared in all three newspapers studied that are directly relevant to the informal sector over the entire period of the study, with the majority of them understandably

featuring in *Business Day*. The result shows that the informal sector receives less than adequate coverage by the Nigerian press.

This however does not support the concept of development communication, which is concerned with the planned use of communication resources to pursue development goals; to eradicate or substantially reduce poverty, social inequality, unemployment and others. From the findings of the ILO's (2008) study on Integrating Mass Media in Small Enterprise Development, an effective and rich information environment enables owners and managers to make informed decisions about purchasing, business restructuring and investment; provides businesses with channels through which they can reach existing and potential customers and thus build and develop markets; and supports an inclusive public private dialogue by amplifying the voice of businesses, consumers and their representatives, allowing the development of relevant business environment reform strategies. With such low level of press coverage, the media can not meet the proposition of the ILO study which states that mass media can bring about behavioural change in the business operation and provide enhanced services and information.

8.2 Question Two: *What is the level of prominence given the informal sector by the press?*

Table 2 above demonstrates the insignificant nature of the reports carried by the newspapers studied. It is noteworthy that none of the 31 items published on the informal sector made it to the front-page, back-page or centre spread of the three newspapers. Moreover, none of the editors thought it fit to base even one editorial comment on an issue relevant to the informal sector throughout the year 2011. Besides, it would appear that many of the stories are traceable to actions initiated by the public rather than newspapermen. The inevitable conclusion one draws from this result is that the press does not consider the informal sector as deserving of the public's attention. An understanding of the agenda setting and framing theories suggests that the SMEs will not be regarded by the Nigerian public as a serious matter since they are so inconspicuous in the media. As McQuail (2010, p. 512) puts it: "The core idea is that the news media indicate to the public what the main issues of the day are and this is reflected in what the public perceives as the main issues."

Much as researchers have consistently pointed out that people are not necessarily told what to think, evidence abounds that there is "a correspondence between the order of importance given in the media to 'issues' and the order of significance attached to the same issues by politicians and the public" (McQuail, 2010 p. 512). What this suggests, therefore, is that those who have the power to alter the social and business environment of the informal sector are unlikely to feel any pressure to do so following their near absence from the media.

8.3 Question Three: *What types of activities of the informal sector attract the most attention of the press?*

Table 3 reveals the perception of the respondents regarding the kind of activities that interest the press most in relation to the informal sector. As the results show very clearly, about 80% of the reports are either based on crime or clients' initiative. This is not surprising.

While a large number of informal sector activities centre around the production and distribution of goods and services under perfectly legal grounds, some others tend to involve criminal activities and illegal production. During the period of study, the most prominent activities featured by the media concerning the informal sector (as seen by respondents) were issues related to crime. The World Bank (2001) classified informal sector activities into two types – the coping strategies and the unofficial earning strategies. The coping strategies include survival activities where people engage in casual jobs, temporary jobs, unpaid jobs, subsistence agriculture as well as multiple job holdings. The unofficial earning strategies represent illegality in business which takes the form of tax evasion, avoidance of labour regulations and other government or constitutional regulations, non registration of the enterprise. Other aspects of business illegality are crime and corruption. It should, however, be noted that there is a distinction between the notion of illegality in the formal sector and that of the hidden/underground economy as such informal activities are as a result of the coping behaviours of individuals and families who desire financial independence in an economic environment where earning opportunities are scarce and not necessarily a deliberate desire to evade payment of taxes or other social security.

8.4 Question Four: *What is the overall contribution of the press to the development of the informal sector in Nigeria?*

Table 4 shows the subjects' perception of the media's contribution to the development of the informal sector in terms of advocacy, interpretation of government policies, business, financial and market information. Where as a good number of the subjects felt that the press had helped much with the interpretation of government's policies, business tips and market linkage, only little in their opinion had been done by way of prompt news coverage of their activities, advocacy, and provision of financial information. This explains the responses of the subjects as shown on table 5 when asked how satisfied they were with media portrayals. Only about 34% of the subjects can be said to be satisfied.

The benefits of development journalism have been well enunciated by Anaeto and Anaeto (2010) which include, motivation, behaviour, and attitude change, enhancement of social justice, poverty reduction, etc. However, with this low level of involvement the press leaves itself in a position where it cannot do much to lift the standard of living of the people.

9. Conclusion and Recommendations

In spite of the presumed economic prowess of the informal sector in Nigeria, the sector apparently does not attract much media attention. This is evident from the findings reported above. It is bad enough that the press does not focus sufficiently on SMEs. It is worse when one notes that even the scant attention paid the informal sector consists mainly of negative stories – those dealing with criminal activities. The only other kind of stories that toppled crime related activities are those that are paid for by clients. This can hardly be said to be an acceptable state of affairs, especially viewed from the perspective of development communication.

However, although it must be conceded that the media cannot cause development, it must be acknowledged that they possess enormous capacity to influence the development of the informal sector in a positive direction. It is, therefore, recommended that:

1. The press should pay greater attention to the positive activities of the informal sector by way of greater coverage. Moreover, such coverage should be made more prominent than is currently the case.
2. The press should seek more and more to be the voice of the citizens whose meager resources cannot buy them space in the media to speak for themselves. This can be accomplished through greater advocacy or increased audience participation without their being required to pay for services rendered by the media. This implies that the media should be considered more as public services than businesses, necessitating profit.
3. The Nigerian government should take urgent steps to integrate the informal sector into the formal sector of the economy to make for better supervision and regulation with a view to improving their contribution to the Nigerian economic landscape. The media on their part should take more than a passing interest in how the sector operates.
4. The informal sector itself needs to be pro-active, innovative and out-going in order to attract more media attention. This way, they will engage the media better, make themselves more conspicuous and, hopefully, receive greater media input to their overall operations.

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