

Zimbabwean executives in trouble over newspaper prices

Media executives in trouble as government maintains blitz ahead of elections.

Harare – Zimbabwe's National Incomes and Pricing Commission (NIPC) was understood to have been stunned after newspaper executives gave graphic details of losses they were picking up as a result of price controls, but insiders said government was unlikely to relax controls on newspaper prices ahead of key elections next year.

In fact, it has set in motion a process to increase circulation for state-owned newspapers under the Zimbabwe Newspapers group. Zimbabwe's two key weekly newspapers last week hiked their cover prices by 140% to Z\$600 000 per copy as they battled to offset losses incurred from a price freeze and escalating production costs.

The increases followed a statement by the Reserve Bank of Zimbabwe (RBZ) governor Gideon Gono that newspaper prices should not be controlled, as they were not basic commodities whose prices are regulated by the government.

But the move quickly incurred the wrath of authorities, forcing the police to pick up the chief executive officers (CEOs) of *The Zimbabwe Independent*, Raphael Khumalo and *The Financial Gazette*, Jacob Chisese, on Friday.

The Financial Gazette's editor, Hama Saburi, was also called to the police charge office where the three were given warnings and released and asked to reduce the cover prices to Z\$150 000 this week.

They later met the NIPC officials from the NIPC to negotiate a deal, and explain reasons for the unsanctioned price hikes, which came after concerted pleas for a review by the NIPC were ignored.

The two newspapers, which had recently gone on the black market due to overwhelming demand spurred by lower prices and hunger for news in a depleted market with only one state-owned daily newspaper, were this week trading normally on the streets although copies sold out early on publication days. *The Financial Gazette* publishes on Thursdays while the *Zimbabwe Independent* publishes on Fridays.

Apparently, the two newspapers had hiked their cover prices last week to Z\$250 000 per copy without inflaming tempers in political circles. There had been other reviews in between that had taken cover prices to Z\$150 000, from the government-sanctioned price of Z\$55 000 per copy, less than the retail price for a cigarette.

Local newspapers, grappling with high printing and newsprint costs, are struggling to survive after the cut in prices and a ban on any increases without permission from the cabinet taskforce on prices.

The Financial Gazette, which prints on pink paper, has cut its tonnage of pink newsprint to mitigate the haemorrhage

caused by the country's pricing regime. Last week, only its front and back pages had the pink colour, with the rest of the newspaper in white newsprint.

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