MEDIA

PIDE Working Papers
No. 2021:7

Understanding Broadcast Media Economics in Pakistan

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PAKISTAN INSTITUTE OF DEVELOPMENT ECONOMICS
ISLAMABAD
2021

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Designed, composed, and finished at the Publications Division, PIDE.

C O N T E N T S

List of Boxes

ABSTRACT

This paper attempts to understand the economics underlying broadcast media in Pakistan. Specifically, we seek to understand the media market in Pakistan, the politics of media ratings in the country, and the role of PEMRA as the regulator of broadcast media. After explaining what media economics as a specialised field of scientific inquiry entails, we examine the magnitude and trend of advertisement expenditures and its consequences for the quality of broadcast content. Next, we have detailed the dynamics of ratings of the broadcast media content and again its impact on the quality of content. Finally, the role of PEMRA as the regulator of broadcast media is investigated. Our findings suggest that the high magnitude of advertisement expenditure and the dynamics of ratings induce the broadcasters to focus on the preferences of the advertisers rather than society at large. The role of PEMRA is open to question— over-reliance on its status as the regulator of broadcast media content rather than that of a media market, and preference for policing over persuasion has caused trust deficit between licensees and PEMRA. We offer a few pragmatic options for improving the economics of broadcast media in Pakistan.

Keywords: Broadcast Media, Economics, Media, Pakistan, PEMRA

1. INTRODUCTION

The media market performs a very useful task by creating employment, value, and growth. Media economics is a specialised field in economics based on economic theories and methodological frameworks applied to all types of media; broadcast, print, or social. Media economics is focused on the application of economic principles to economic policies and practices of media houses, news industries, film production, broadcast media, digital media companies, and media advertising spends/expenditures. Additively, media economics also encompasses themes such as the role of media regulators, intellectual property rights, media taxation, and media ownership.

Owers, Carveth, and Alexander (2004) define Media Economics as '***the business operations and financial activities of firms producing and selling output into various media industries***' (pp. 5). Similarly, Picard (1990) defines media economics as to how the '***media industries produce and allocate resources to create information and entertainment content to meet the needs of audiences, advertisers, and other social institutions***.'

In a macroeconomic context, the focus of media economics is on the aggregate economy and its functioning on the whole. The interest in media economics began in the 1970s but increased significantly in the 1980s due to academic interest in the subject at the US and European universities. The Journal of Media Economics also began publishing in 1988. As a specialised field of inquiry, media economics is being taught in the academic departments of Business Studies, Media Studies, and Cultural Economics, across different universities. The interest in media economics is also driven by empirics. For instance, over the years, the contribution of media industries (broadcast, news channels, film, etc.) to GDP has increased. Some of the stylised facts about the US media economy are mentioned in Box 1.

Box 1. Media Economics in United States

- The contribution of media industries to GDP was 2.6% in 1982 which grew to 2.9% of GDP by 1986.
- During 1981 -1986, the US economy grew at an average compound rate of 7.4% while the media industry spending increased at an average rate of 11.2%.
- For much of the 1990s, the media industry experienced a growth rate of 5% to 7% which indicates that media industries grew at rates above the economy in both absolute and relative terms.
- Since the early 2000s till date, the share of media industries to GDP has continued to expand.

Picard (1990) shows that investment in media firms and industries, for instance in filmmaking or broadcast media, yields returns greater than the production costs. The investment in the media market has a multiplier effect as the firms and industries making such investments make payments to actors, technicians, and offer returns to; investors, suppliers, and business firms. Therefore, one-time investment in and by media firms and industries creates employment, economic value, and growth to a marked extent. Picard (1990) suggests that the numerical estimate of multiplier falls in the range of 4 to 6. This implies that an investment of Rs. 20 million in filmmaking may increase the GDP by Rs. 100 million.

Areas of thematic focus in this paper are:

- Key markets of broadcast television.
- Functioning of the media market in Pakistan about market expansion and media advertisement expenditures.
- Politics of media ratings in Pakistan.
- Role of PEMRA as an authority for regulating broadcast media in Pakistan.

This paper is focused upon broadcast media only because broadcast media is the most consumed form of media in Pakistan. The section on media advertisement spends also shows that maximum spend is on broadcast media as compared to other forms (cinema, digital, and radio, to name a few). A similar piece with thematic variance can be produced for different forms of media in Pakistan. For this paper, we have read literature on media economics, broadcast media in Pakistan, and the politics of media economics in Pakistan. From there on, we have drawn parallels as well as marked differences among cited literature, articulated the common as well as competing arguments, exposited the evidential data, and synthesised the data under different themes.

2. THE ECONOMICS OF BROADCAST TELEVISION

Ferguson (2004) classifies broadcast television networks as a business for media firms and industries. Four key markets are determining the resource allocation decisions in the broadcast network television are described in Box 2.

Box 2: Key Markets of Broadcast Television

- The first market involves industries seeking an optimal mechanism of resource allocation to benefit TV content producers and consumers. The market includes production houses, media organisations, and media channels that provide a platform for programmes of different content.
- The second market is concerned with the internal efficiency of the television stations or program producers who are largely interested in cost-controls of producing television shows. Already-known and large companies take advantage of economies of scale (utilisation of big and expensive studios) and economies of scope (distributors, producers, and exhibitors). Big broadcasting networks afford to commission expensive programmes.

– For instance, in the US, the four largest networks[1] spend around 418 billion per year for their programs. The system, however, has seen changes over the years from advertiser-controlled programs in the 1950s to network-controlled in the 1960s, to studio-controlled in the regulated 1970s and 1980s, and finally back to network-controlled in the deregulated 1990s (Ferguson, 2004). More recently, with the emergence of Over the Top (OTT) platforms, digital-controlled programmes are also proliferating in the market.

- The third one is the consumer-driven market in which the consumers of TV content pay direct costs especially in the case of advertising-supported broadcasting. The audience also pays the opportunity cost of leisure-time allocation by losing time for activities such as sleeping, cooking, or studying. Opportunity cost is considered trivial as it is not measured in terms of money. Hence, non-economic costs are not catered to or incorporated in this regard.
- Fourth market deals with stations and programmers who sell the attention of audiences towards their contents and programs. The buyer in this scenario is the advertiser who wants to access the audience. Currently, in the wake of the pandemic, digital platforms such as OTT (Netflix, Amazon Prime, etc.) have provided a variety of programmes for entertainment and instructional purposes whose increased subscription across the board is showing high demand in the supply-demand framework of digital media.

The simultaneous functioning of markets aligns market structure for smooth functioning of media firms and industries but also calls for important interventions on the part of the government for:

– Ensuring quality and quantity controls.
– Facilitating business communities and investors through relaxing regulations on media laws.
– Giving autonomy to broadcasting media networks, media houses, and independent content producers.

3. THE MEDIA MARKET IN PAKISTAN

Since 2000, Pakistan's media industry has expanded in size.[2] In 2002, the country opened its broadcasting sector for the commercial sector. Till 2019, there were 100 functional TV channels and 150 radio stations in the country. During this period, the number of journalists has also increased from 2000 to over 20,000, and the overall increase in the number of people associated with the media industry has increased to about 250,000. The expansion in the media industry is the result of an increase in per capita income, consumer economy, advertising sector, and expansion of the private sector. The evolving dynamics of the media market are described in Box 3.

[1] NBC, QVC, CBS and ABC.

[2] The data provided under this sub-heading has been borrowed from two sources as stated in the following:

(a) https://pakistan.mom-rsf.org/en/context/economy/

(b) PIDE webinar on The Politics of Media Economy in Pakistan. Link for video is: https://www.youtube.com/watch?app=desktop&v=v2v_lzeRov8

Box 3: Economic Dynamics of the Media Market in Pakistan

- Between **2002 and 2017**, a cumulative investment of **USD 4 billion** in the electronic media industry was made in Pakistan. Expansion of media in the private sector is the result of economic growth & expansion in the media groups, content producers, advertisement agencies, and propagation of variant avenues of performing arts.
- In **2002**, when the broadcast sector was opened up for private ownership in Pakistan, it was dependent on advertisement revenues from telecom firms. The situation drastically changed later, particularly in 2018 as advertisement revenues shrunk for print and electronic media which brought news organisations to closure. The private sector such as banks, the textile industry, and telecom firms, cut down their advertisement budget by **50%**.

*From **2015 till 2017**, the advertisement market size has grown from Rs. **66.9 billion to Rs. 87.7 billion**. Since 2017 till date the advertisement budgets have shrunk as stated in the following:*

- In 2018, Punjab and Sindh governments, cut down advertisement budgets by **70%.**
- Pakistan's TV ad-spend **2014-2019** has experienced **7%** decrease in 2020, **26%** decrease in 2019, and **9.5%** decrease in 2018. Overall, a downward trend started in 2017.
- On the other hand, Pakistan's digital ad-spend has increased from **2014-2020** with a **30%** increase in 2020, **31%** increase in 2019, and **45%** increase in 2018.
- Overall, there has been an upward trend. Many media companies own more than one form of media category, such as TV, radio, and the internet. The horizontal expansion of media forms has also expanded audience outreach.
- In 2017-18, with respect to advertising revenue, out of the 15 topmost earning channels, 7 were news channels and 8 were entertainment channels. Geo and Dunya news channels raked in Rs. 4.5 billion (17%) of the total Rs. 26 billion ad revenue of the entire TV sector.
- The reason for the increase in advertising budgets from 2013 till 2017 and then later in 2018 can be millions of rupees spent by political parties on election campaigns.
- According to Elections Act 2017, a candidate for National Assembly can spend up to Rs. 4 million and for Provincial Assembly up to Rs. 2 million on the election campaign. No such restrictions are imposed on party advertisements. A report published in Business Recorder stated that medium-sized channels charged Rs. 200,000 to Rs. 250, 000 per minute for paid content. Top-rated channels charged Rs. 350,000 to Rs. 400,000 per minute for paid content.[3]
- In the 2013 elections, as well, the Pakistan Broadcasters Association raised advertisement prices by 25 percent. The upper limit for National Assembly candidates was Rs. 1.5 million and for National Assembly candidate, Rs. 1 million. Top-rated channels charged approximately Rs. 300,000 for one minute paid content in 9-10 pm slot and medium-sized channels charged approximately Rs. 75, 000 for one-minute paid content in the 6 pm-midnight timeslots.[4]

[3] https://fp.brecorder.com/2018/07/20180717391452/
[4] https://tribune.com.pk/story/543956/election-2013-political-parties-channel-millions-into-ads

4. MEDIA ADVERTISING SPEND IN PAKISTAN

There exists a positive relationship between media advertising spend and economic growth (Wurff, Bakker, and Picard, 2008). The impact of economic development on advertising expenditures, however, varies when differences related to space, time, and the type of media are brought in. In countries like the United States and Europe, print media suffers more than electronic media during economic recessions. The variations can be due to several reasons such as media planning and marketing, a limited number of advertising companies in the market, and media content these companies are looking for. It is important to study the nature of these variations, the impact of the same on advertising expenditures as well as the impact of economic development on these expenditures. Media advertising spends are also important to study as slight variations in these may have severe financial consequences for the media houses and organisations. In the following are stated a few relevant studies that articulate the importance of media advertising spend and the relationship between media spend/expenditure and economic growth.

- Ostheimer (1980) concludes that during phases of economic peaks magazine advertising spends improved and declined during economic troughs.
- Jones (1985) asserts a close fit between Gross National Product (GNP) and advertising between 1961 and 1983. Callahan (1986) also summarises that advertising expenditures across various forms of media improve as GNP increases.
- Economic activity and advertising expenditures move in the same direction. (Swerdlow and Blessios, 1993).
- Shaver and Shaver (2005) researching 8 developed countries concluded that 6 countries showed a positive correlation between advertising expenditures and GDP.
- Speaking of causality, research signifies that economic growth affects advertising expenditures and the impact of expenditures on growth is minimal. Hence, growth is the most critical concern for the expansion of the media market, just like any other market.

Research conducted by Aurora explains that in FY 2018-19, TV had the major share of advertising spend (42%), followed by print (20%), and digital (12%) with cinema securing only 1% of the total advertising spend.[5] When compared with FY 2017-18, all forms of media barring digital and OOH have shown a decline in ad-spends in FY 2018-19. The comparison reveals a decline of 18% in total advertising spend in FY 2018-19 with FY 2016-17 as the base year. The info-graphic, borrowed from Aurora, details ad-spend as follows:

[5] https://aurora.dawn.com/news/1143705

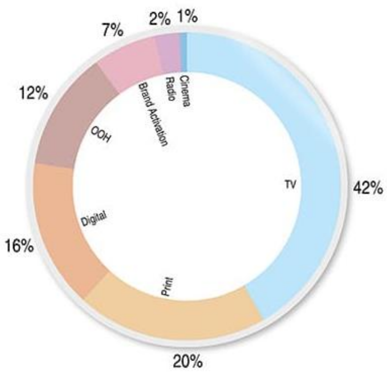
AURORA FACT FILE

MEDIA ADVERTISING SPEND

Source: *Aurora* in consultation with industry sources.

FY 2018-19

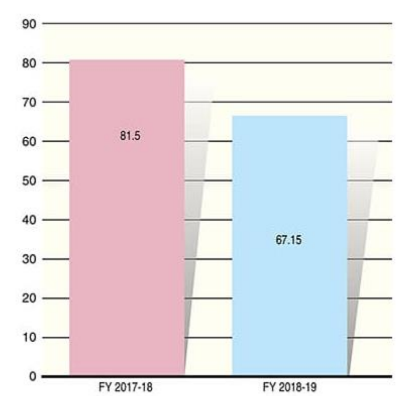
Total Advertising Spend



	FY 2017-18		FY 2018-19	
	Rs (billion)	Share	Rs (billion)	Share
TV	38	46%	28	42%
Print	19.5	24%	13.5	20%
Digital	8	10%	10.5	16%
OOH	7	9%	8.4	12%
Brand Activation	6	7%	4.5	7%
Radio	2.5	3%	1.75	2%
Cinema	0.6	1%	0.5	1%
Total	81.6	100%	67.15	100%

Total Advertising Spend Two-Year Comparison (in billions)

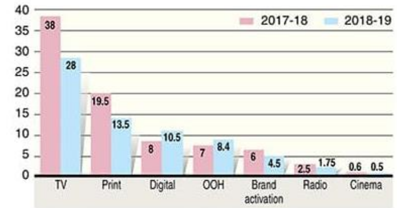
(FY 2017-18 & 2018-19)



- Total ad spend (revenue) has decreased by 18%; in FY 2017-18 it decreased by 7%.

Total Advertising Revenue Per Medium — Two-Year Comparison (in billions)

(FY 2017-18 & 2018-19)



Revenue	FY 2017-18	FY 2018-19
TV	38	28
Print	19.5	13.5
Digital	8	10.5
OOH	7	8.4
Brand Activation	6	4.5
Radio	2.5	1.75
Cinema	0.6	0.5
Total	81.6	67.15

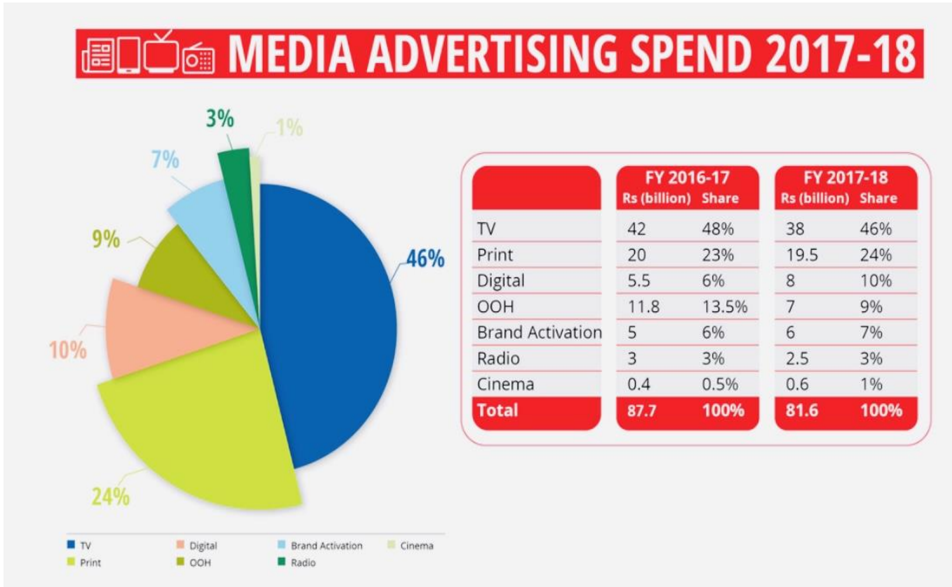
- TV ad revenue **decreased** by Rs 10 billion (26%).
- Print ad revenue **decreased** by Rs 6 billion (31%).
- Digital ad revenue **increased** by Rs 2.5 billion (31%).
- OOH ad revenue **increased** by Rs 1.4 billion (20%).
- Brand Activation/POP ad revenue **decreased** by Rs 1.5 billion (25%).
- Radio ad revenue **decreased** by Rs 0.75 billion (30%).
- Cinema ad revenue **decreased** by Rs 0.1 billion (17%).

Percentage Share Per Medium — Two-Year Comparison

(FY 2017-18 & 2018-19)

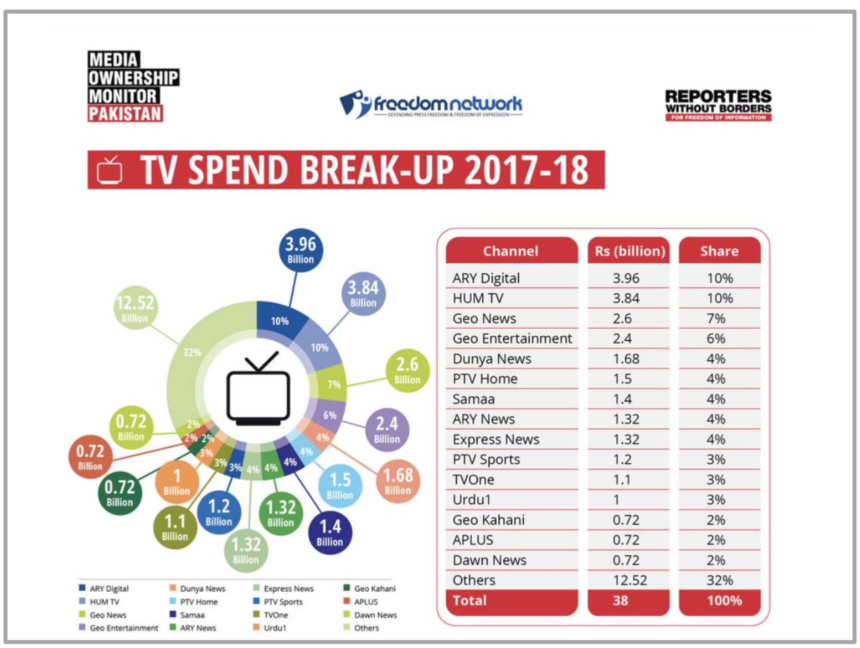
Medium	FY 2017-18	FY 2018-19
TV	46%	42%
Print	24%	20%
Digital	10%	16%
OOH	9%	12%
Brand Activation/POP	7%	7%
Radio	3%	2%
Cinema	1%	1%

- TV – **decreased** by 4%
- Print – **decreased** by 4%
- Digital – **increased** by 6%
- OOH – **increased** by 3%
- Brand Activation/POP – **no change**
- Radio – **decreased** by 1%
- Cinema – **no change**



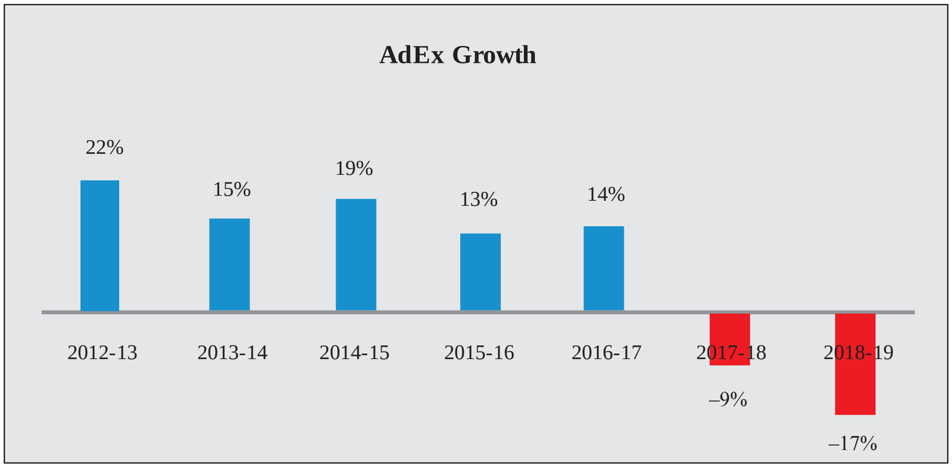
	FY 2016-17 Rs (billion)	FY 2016-17 Share	FY 2017-18 Rs (billion)	FY 2017-18 Share
TV	42	48%	38	46%
Print	20	23%	19.5	24%
Digital	5.5	6%	8	10%
OOH	11.8	13.5%	7	9%
Brand Activation	5	6%	6	7%
Radio	3	3%	2.5	3%
Cinema	0.4	0.5%	0.6	1%
Total	**87.7**	**100%**	**81.6**	**100%**

Data compiled by Aurora and Gallup Pakistan highlights media advertising spend on TV, print, digital, radio, cinema, brand activation, and out-of-home categories. Ad-spend trends for FY 2016-17 and FY 2017-18 are shown. Overall, ad-spend has decreased relative to FY 2016-17 in FY 2017-18 (87.7 billion to 81.6 billion). The share of ad-spend on TV for both FYs is maximum (48% & 46%, respectively), but barring digital, cinema, and brand activation, for other categories including TV, print, & OOH, the ad-spend had shrunk in FY 2017-18 relative FY 2016-17.



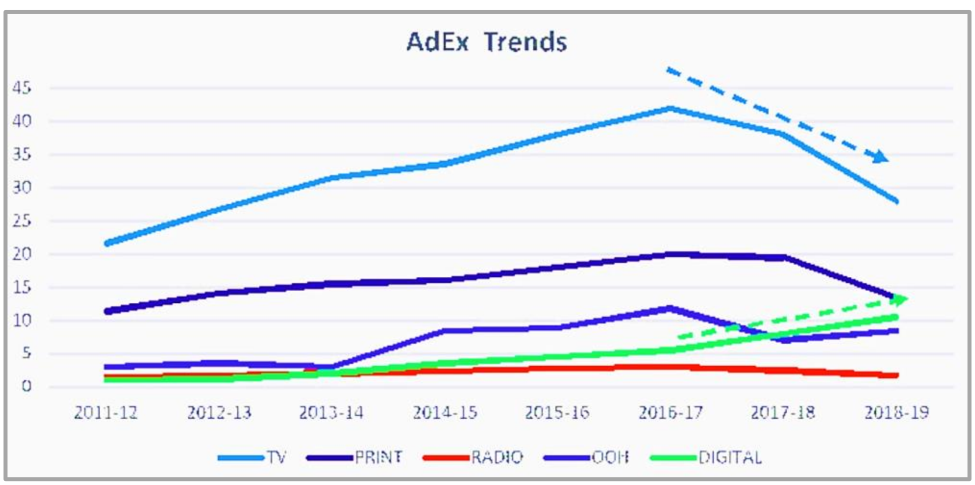
Channel	Rs (billion)	Share
ARY Digital	3.96	10%
HUM TV	3.84	10%
Geo News	2.6	7%
Geo Entertainment	2.4	6%
Dunya News	1.68	4%
PTV Home	1.5	4%
Samaa	1.4	4%
ARY News	1.32	4%
Express News	1.32	4%
PTV Sports	1.2	3%
TVOne	1.1	3%
Urdu1	1	3%
Geo Kahani	0.72	2%
APLUS	0.72	2%
Dawn News	0.72	2%
Others	12.52	32%
Total	**38**	**100%**

The data about TV spend break-up has been compiled by Aurora and Gallup Pakistan for FY 2017-18. The data shows that with respect to ad-revenues in the fiscal year 2017-18, out of the top 15 TV channel earners, 7 were news channels and the rest were entertainment channels. Among news channels, GEO and Dunya News raked in Rs. 4.5 billion.

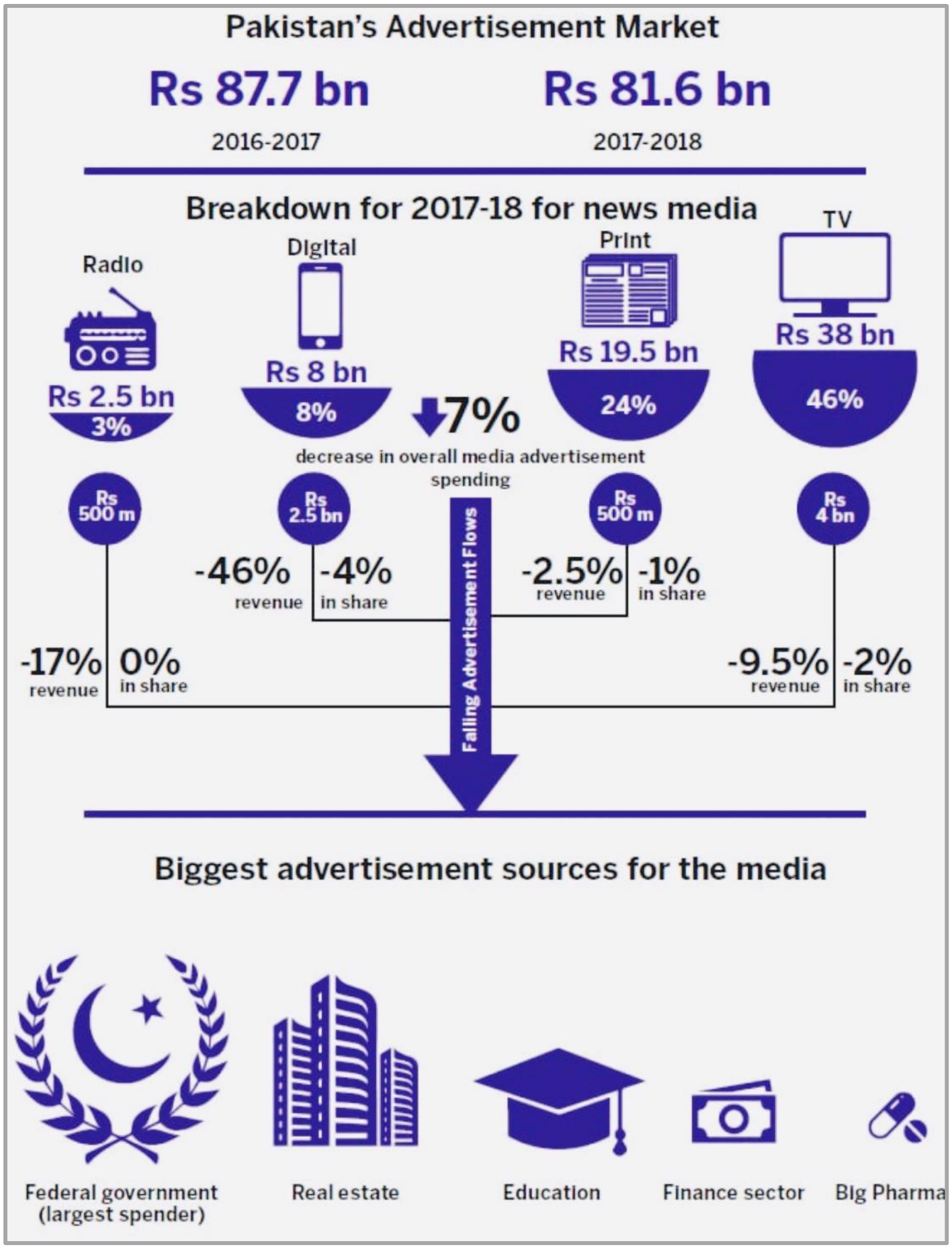


Ali (2019)[6] using data from Aurora Annual issues (2012-2019) shows that until 2017, the overall ad-ex was increasing but in FY 2017-18 and FY 2018-19, the ad-ex growth has become negative, –9% & –17%, respectively.

The chart by Ali (2019) shows that ad-ex share has been increasing since 2011 till 2017, afterwards there has been a downward spiral. The same holds true for the print and radio categories. The exception is the digital category growth observed since 2016.



[6] http://www.synergyzer.com/broadcast-media-vs-digital-media-muhammad-ali-analyzes-pakistan-adex-2019/



The above figures summarise Pakistan's advertisement market detailing that advertising expenditure has reduced from Rs. 87.7 billion in FY 2016-17 to Rs. 81.6 billion in FY 2017-18. There has been a fall of 7% in overall media advertisement spending. TV still constitutes the major component of ad-ex component (46%) with radio has the minimum share (3%). The figure also highlights major advertisement sources for media in FY 2017-18, which include the federal government, real estate, education, financial sector, and pharmaceutical companies.

5. THE POLITICS OF MEDIA RATINGS IN PAKISTAN

Broadcast journalism is understood and appreciated as a strong democratic force but at the same time, it has also been criticised for being sensationalist, unethical, and overly commercial. Over the years, the quality of content has deteriorated, and fallen victim to the fight for media ratings.

Television Rating Point or (TRP) is a ‘tool to gauge viewership of televised content’ (Baig, 2014; pp. 32). The data is based on the map of drops and surges in TV audiences at a point in time. It takes into account spatial spread and duration of viewing to represent a sample size of TV viewership. TRPs are collected with the use of Television Audience Measurement (TAM) systems. The rating system as exercised in Pakistan is the TAM system which caters to big cities namely Lahore, Karachi, and Islamabad. TAM helps in systematically recording and analysing TRP data and this data is the one Pakistan’s broadcast media economy strives on. Baig (2014) is critical of TAM for not capturing the patterns of national viewing because the system does not collect data on a nationwide basis. TAM was established by Pakistan Advertisers’ Society (PAS) and Pakistan’s Broadcasters’ Association in 2007, for generating TRP data and aligning data according to advertisers' demands with little or nothing to do with the broadcasters. Since many of the advertisers have their consumer markets based in urban areas, hence their sample size is biased towards the same areas, based on socio-economic profiling of the urbanites. The assumption that viewing patterns in rural areas would follow the same trends as followed in urban areas, rules out the reason for including a representative pool from rural areas.

With the broadcast sector opened up for private ownership in 2002, the advertising spend has increased significantly, with TV as the largest shareholder in the country’s annual advertising budget—approximately 61% share (Baig, 2014). Among these advertisers are the medium or large corporates and advertising agencies who look out for avenues to reach out to larger audiences. Though the advertisers are not entirely dependent on TRP data to meet this end, still, TRPs are the most commonly used market assessment tool. With Pakistan’s electronic media’s dependence on revenues collected from advertisements, the quest to secure the highest ratings is critical for media houses for their survival. The two groups that collect data for media ratings in Pakistan are described in Box 4.

Box 4: Media Houses Conducting Media Ratings in Pakistan

- Gallup Pakistan[7] and Medialogic are the two sources operating TAM in Pakistan.
- Gallup Pakistan used the diary system and bases its methodology on household surveys across Pakistan and collected data from 4800 urban and 700 rural centers.
- Media logic used People’s Meters. Making use of technology, these meters are installed in selected households to record patterns of TV viewing of a specific household in the country. The group claims to have access to 6500 individual consumers (average 6 per household) deploying 1100 meters in 20 cities.
- Though PEMRA has listed the following 5 TAM/TRP services companies in Pakistan, only one TRP firm (Medialogic) is operating:
    - Media logic Pakistan
    - Media Voir
    - Din Industries Limited
    - Breeo International
    - The Media Trackers

[7] It used to operate TAM in Pakistan. For its methodological reference, Gallup Pakistan is mentioned in the paper.

TAM provides data to advertisers whose interests are in finding the best TV channels and timeslots for their product's advertisements and coverage. Baig (2014) finds it problematic that broadcasters fine-tune their program or news contents as per the wish list of the advertisers. Given that 100% of broadcast media's revenues are dependent on advertising revenue, hence making media content 'advertiser friendly' becomes a survival strategy for the media houses. In their incessant quest to secure more revenues, securing the highest number of advertisements becomes the sole objective of media houses, which deviates them from their core objective of public service. The rating rat-race also results in media's over-commercialisation and looking out for stories, news, and political narratives that can generate more ratings rather than providing news and content that are of greater public and political significance.

The report by Baig and Cheema (2015) discusses the financial structure of the media industry of Pakistan and explains how it has become the cause of the so-called over-commercialisation of media. In addition, the report also explains the economic landscape, the financial and technical infrastructure of Pakistani broadcast media. The economic infrastructure of the media industry is such that it does not provide financial support to the small broadcast channels and local/regional channels, rather it puts them at a disadvantage. Biasness towards news coverage from urban centres sidelines critical issues of concern for the population in rural areas. The Urban-centric TRP system is also marginalising regional channels, which mostly cater to the regional news. Baig and Cheema (2015) call for conducting surveys to collect data from rural areas and other urban centres. There is only one source from where we get the information about the flow of advertising revenue. The collection of such information needs to be expanded, sources should be diversified, and country-wide TRPs need to be collected. This will discourage monopolisation of TRP data and will also enable cross-verification.

Media has aligned itself with commercial enterprises, political and non-political organisations and a rat race for TRP has consumed the quality media content. Following this course of action, broadcast media has become totally disengaged with the consumers and has forgotten its purpose of public service. It is no longer considered impartial from the consumer's standpoint and therefore has lost most of its credibility. The broadcast media's over-reliance on advertisement revenue is a politico-economic problem. The solution lies in replacing at least part of the advertisement revenue with subscription revenue.

6. PEMRA's ROLE AS REGULATOR OF BROADCAST MEDIA

PEMRA is a regulatory authority responsible for providing licensing broad communication, print, and electronic media. Among PEMRA's objectives is to encourage the private electronic communications industry and to improve the principles of data, instruction, and amusement. Media law is related to the regulations of the telecommunication industry, information technology, press, broadcasting, advertising, entertainment industry, the internet as well as online services. There are functional legislative mechanisms that directly or indirectly affect the media. Decades earlier, Radio and TV broadcasting was State's responsibility with minimal existence and intervention from the private sector. By the late 1990s, to control the expansion of Indian satellite channels, the idea to introduce private TV networks to attract the public towards local content was focused upon. PEMRA started its functional operations in 2002. It regulates and issues channel licenses for the setting up of the electronic media broadcast stations. It also monitors quality and quantity. The media content or the person, which/who defames the Head of the State, armed forces or executives, legislative or judicial arms of the State is liable to be jailed for up to 3 years and fined up to 3 million rupees with a cancellation of license. The PEMRA monitors the channels in this and several other respects.

Media laws have gone through significant changes over the political history of Pakistan. President Ayub Khan took the first step in introducing media law in Pakistan in 1962 by promulgating the Press and Publication Ordinance (PPO). He started nationalising the large parts of the press and took over one of the two largest news agencies. During the era of General Zia ul Haq laws, Islamisation sentiment was introduced in the 1980s in the media. Later, in General, Pervez Musharraf's reign Pakistani electronic media boomed and liberalised in the country. The liberal media laws broke the State's control on electronic media. In addition to this television broadcasting and FM radio, licenses were issued to private news sources. The involvement of the private sector has diluted the government's authority and its ability to control the broadcast industry. Private media has widened the avenue of current affairs, news shows, children's shows, arts and culture, and science and technology.

PEMRA specifies some codes for broadcasters as well as cable operators. The codes are classified into two categories i.e. programs (including entertainment, current affairs, news) and advertisements. Programs and advertisements containing remarks against religious groups, promoting disharmony, pornography, abusive and derogatory language, false knowledge, misleading information, violence, anti-State narratives, institutions of social control, and crimes are strictly prohibited. The regulatory regime employed in the form of PEMRA needs to be revisited. The current regime is designed such that it allows for monopolies and concentration. More inclusive rules are needed which will lead to diversification and independence of media.

Alam (2014) takes a critical position on the regulatory role of broadcast media in Pakistan. PEMRA Ordinance 2002 gives authority to organisations to take 'cognisance of any kind of violation of any law of the land by its licensees rather than other parties' (Alam, 2014, pp. 22). The procedure is such that any person from the general public can file a complaint with the CoC against any content broadcasted and distributed by any PEMRA licensee. The council's role is to review the complaint and recommends to the Authority the line of action which can be censure or fine against the licensee for the violation of the laws. In some instances, the Authority can also take action by prohibiting the broadcasting, re-broadcasting, or distributing programs or advertisements. PEMRA can also suspend the license of the violator. PEMRA is the sole authority to lodge a petition in a court of law to take cognisance of such complaints.

The issue is not of quality and quantity controls undertaken by PEMRA, the problem is that of its role *only* as the regulator of media content rather than a regulator of the media market. Airwaves being a public good ought to be regulated by the State authority for the provision of information to the public. Hence PEMRA's role can be effective in this regard only if it responds to meeting objectives as stated in the PEMRA Ordinance 2002.

Among PEMRA's mandate is to publish annual reports about the situation of broadcast media prevalent in the country. PEMRA published an annual report for financial years 2015-18 in which data related to viewership, socio-economic profiles of consumers, and access to broadcast media were presented. The report states the following facts:

- 65% of the country's population watch cable television.
- 25% are terrestrial viewers.
- 9% have access to satellite dishes.
- The organization has issued 88 licenses for local indigenous satellite TV. 37 of which are of entertainment, 26 news and current affairs, 18 regional, 4 educational, 1 health, 1 sport, and 1 agro-based channel license. 35 landing rights permissions were also issued to off-shore channels.
- $7.0 billion investment which created employment for more than 500, 000 qualified people, shows an upward trend in the direct and indirect employment opportunities in production houses, advertising agencies, and performing arts.
- 618 show causes notices and warnings issued to TV channels, ban on 25 programnes and advertisements, and suspension of 13 TV channels.

The scholars of the political economy of communication also look upon the concentration of ownership of media outlets by few groups as harmful to the industry. For instance, Rasul and Macdonald (2012) quote Mosco (2009) argue that if big corporations are allowed to capture major chunks of the market they are then able to decide the economics of broadcast media. Given this, they can limit, mold, and in many cases show custom news more suited to their agendas leading to the production of less reliable media products while consumers are unaware. The regulator, therefore, is supposed to look into the issue of concentration of the media industry. Ideally, it should be the entity that protects, nurtures, and propels forward the media industry by keeping a check on big corporations and facilitating the small local and regional broadcast media outlets.

7. RECOMMENDATIONS

In the light of the paper's content, we propose the following points:

(a) The censorship role of PEMRA is problematic which is not helping quality-controls and checks as there is a political economy to the TRP system which is driving national narrative in which real issues the country is dealing with are completely ignored. Moreover, the PEMRA Ordinance was enacted in 2002 states in its mandate to create a media market free from informational asymmetries, informational biases, monopolies, and curbing freedom of speech. The ordinance also expounds on setting up a media market based on recent technologies. Two of the objectives stated in its mandate elucidate:

- To facilitate the devolution of responsibility and power to the grassroots by improving the access of the people to mass media at the local and community level.
- To ensure accountability, transparency, and good governance by optimising the free flow of information.

The matter of devolution of power and responsibility is highly disputatious considering the role of surveillance taken up by PEMRA. In its spree to regulate broadcast content, PEMRA took several actions against TV channels in 2019; 20 show-cause notices, 5 advisories, 5 notices, and 9 directives issued to its licensees (Institute for Research, Advocacy and Development, 2019). These actions have been the subject of criticism in public, media, and academic discourses. This self-proclaimed role of 'censoring' and 'surveillance' needs to be deconstructed on organisational and discursive fronts. In this context, an evaluation of PEMRA is much-needed.

(b) The budgetary allocation to cultural industries, including media, has been inconsistent, at best, in Pakistan. In the light of the earlier mention related to the US media economy, the broadcasting networks have increased in size and the media sector has grown at a rate higher than the country's GDP. Multiplier impacts of one-time investment in the media economy have been empirically tested across the globe and in many cases, the results are positive. In this regard, it is recommended to actualise the multiplier impact in Pakistan as well by pulling in more economic resources for the media industry and thereby generating growth and employment in the country?

(c) The model of public-private partnerships has helped revive regional media in India and Bangladesh. The same model can be tried in Pakistan. The inclusion of regional media will also help address the issue of urban bias in the current TRP system of broadcast media in Pakistan.

(d) The autonomous status of PEMRA is also questionable. It is argued that an autonomous regulator and a media free of any government or State control is desirable. In Pakistan, PEMRA laws authorise the federal government to issue policy directives to PEMRA. Moreover in 2017, the government of Pakistan brought PEMRA under the Ministry of Information and Broadcasting. This ministry exercises the power of the federal government to issue directives that further compromises the autonomous and independent status of the regulatory authority, hence the decision regarding issuance of licenses for broadcast media is under the directives of the government. This needs to change.

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