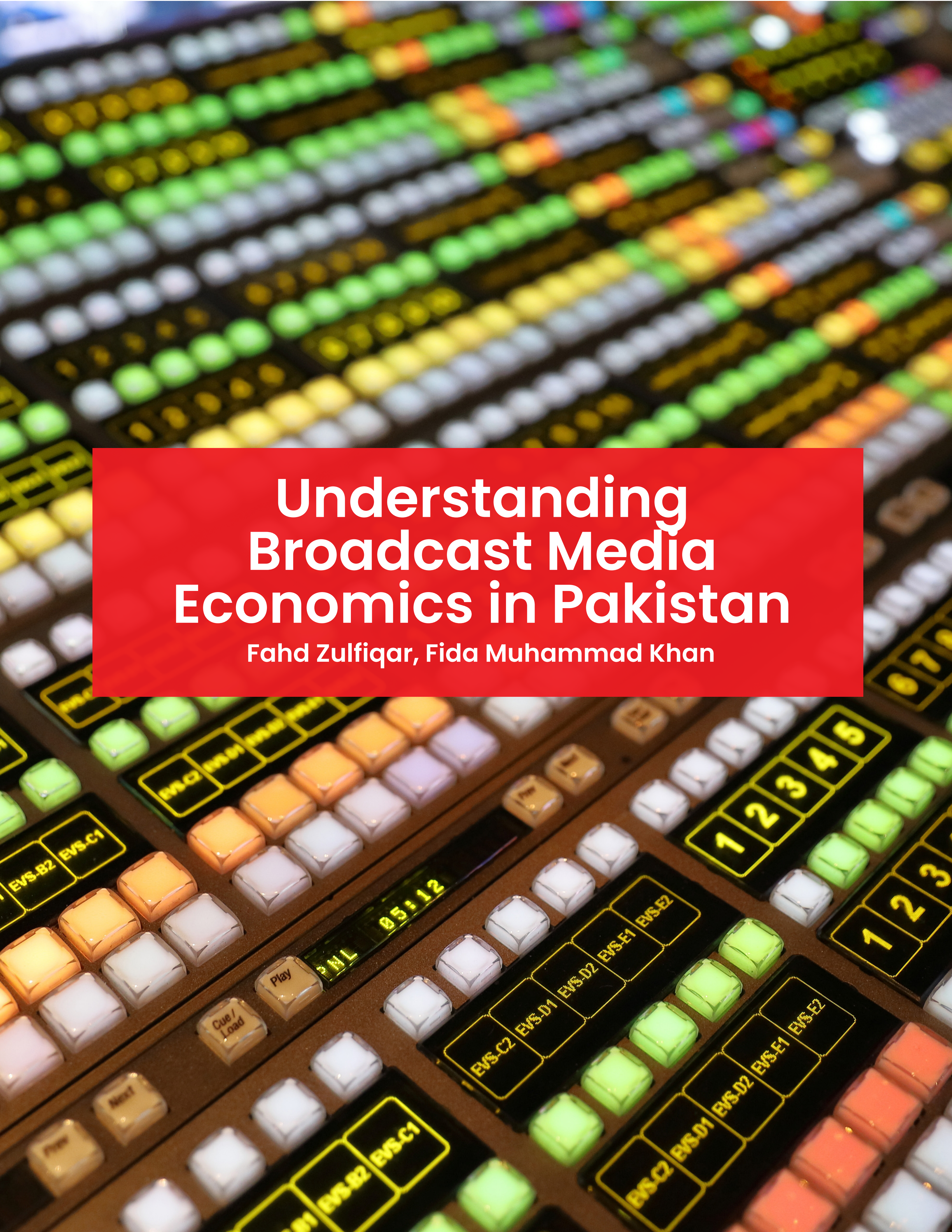


Understanding Broadcast Media Economics in Pakistan

Fahd Zulfiqar, Fida Muhammad Khan

1. Introduction

The concern of Economics is welfare of people through opportunity, employment and production of goods and services. Economics deals with the question of what is produced, what technology and which organization goes into producing the output, for whom the output is produced, and how is it sold in the market. The sales of output is distributed to employees, suppliers, owners and shareholders. Similar economic principles are applied when we talk about media industry across the globe, because media market performs a very useful task by creating employment, value and growth. Media economics is a specialized 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 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 how '*media industries produce and allocate resources to create information and entertainment content in order to meet the needs of audiences, advertisers, and other social institutions.*'

In 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 1970s but proliferated in 1980s as a result of academic interest in US and European universities. The Journal of Media Economics also began publishing in 1988. As a specialized 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, contribution of media industries (broadcast, news channels, film etc.) to GDP has increased. Some of the stylized facts about US media economy are detailed in the box.

US Media Economics

- The contribution of media industries to GDP was 2.6% in 1982 which grew to 2.9% of GDP by 1986.
- From 1981 till 1986, the US economy grew at an average compound rate of 7.4% and media industry spending increased at an average rate of 11.2%.
- For much of the decade of 1990s, growth rate of the order of 5% to 7% was experienced, which indicates that media industries grew at rates above the economy in both absolute and relative terms.
- Since 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 higher than the production costs. Hence, investment in media market has a multiplier effect as the firms and industries making such investments make payments to actors, technicians, returns to investors, suppliers and business firms. The employees will consume part of their wages and salaries and business firms will, in turn, pay to their employees or may start new filmic, cinematic, or broadcast ventures, hence furthering business expenditures. Therefore, one-time investment in and by media firms and industries creates employment, economic value and growth by 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 PKR. 20 million in filmmaking may increase the GDP by PKR. 100 million.

After having explained what Media Economics entails, in the following text, areas of thematic focus in this paper are outlined:

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

For the purpose of current paper, we have focused our analysis to broadcast media only the reason being that broadcast media is the most consumed form of media in Pakistan. The section on media advertisement spends will also detail that maximum spend is on broadcast media as compared to other forms (cinema, digital, & radio, to name a few). A similar piece with thematic variance can be produced for different forms of media in Pakistan. For the current paper, we have read literature on media economics, broadcast media in Pakistan, and politics of media economics in Pakistan. From thereon, 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 synthesized the data under different themes.

2. The Economics of Broadcast Television

Ferguson (2004) classifies broadcast television networks as business for media firms and industries. There are four key markets determining the resource allocation decisions in the broadcast network television, detailed as:

BOX 1:
Key Markets of Broadcast Television

- The first market involves industries seeking for an optimal mechanism of resource allocation to benefit TV content producers and consumers. The market includes production houses, media organizations, and media channels which provide platform for programs of different contents.
- 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 (utilization of big and expensive studios) and economies of scope (distributors, producer and exhibitors). Big broadcasting networks afford to commission expensive programs.

» For instance in US, the four largest networks spend around 418 billion per year for their programs. The system, however, has seen changes over the years from advertiser-controlled programs in 1950s, to network-controlled in 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 programs are also proliferating in the market.

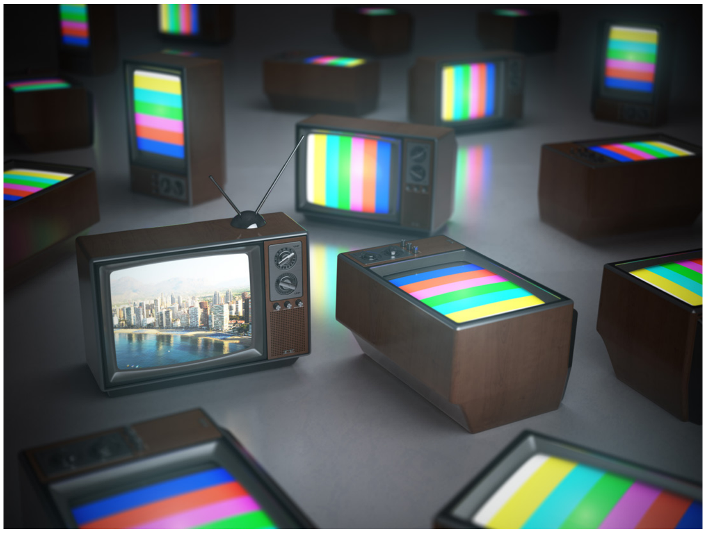
- The third one is consumer-driven in which the consumers of TV contents pay direct costs especially in the case of advertising supported broadcasting. The audience also pay the opportunity cost of leisure-time allocation by losing time for activities such as sleeping, cooking or studying. Opportunity 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 audiences. Currently, in the wake of pandemic, digital platforms such as OTT (Netflix, Amazon Prime, etc.) have provided a variety of programs for entertainment and instructional purposes whose increased subscription across the board is showing high demand in 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 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. In 2002, the country opened its broadcasting sector for commercial sector. Till 2019, there were 100 functional TV channels and 150 radio stations in the country. The number of journalists has also increased from 2000 to over 20,000, and the overall increase in the number of people associated in the media industry has increased to about 250,000. The expansion in media industry is the result of an increase in per capita income, consumer economy, advertising sector, and expansion of private sector. The evolving dynamics of media market is detailed in Box 2.



BOX 2:
Economic dynamics of 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, particularly in 2018 advertisement revenues shrunk for print and electronic media which brought news organizations to closure. The private sector such as banks, textile industry and telecom firms, cut down their advertisement budget by 50%.
- From 2015 till 2017, the advertising market size has grown from PKR 66.9 billion to PKR 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 2014-2020 with 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 internet. The horizontal expansion of media forms also expands audience outreach.
    - With respect to advertising revenue, out of the 15 topmost earning channels, 7 were news channels and 8 were entertainment channels, in 2017-18. Geo and Dunya news channels raked in PKR. 4.5 billion of the total PKR. 26 billion ad revenue of the entire TV sector.
    - The reason for 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 PKR. 4 million and for Provincial Assembly up to PKR. 2 million on the election campaign. No such restrictions were imposed on party advertisements. A report published in Business Recorder stated that medium sized channels charged PKR. 200,000 to PKR. 250, 000 per minutes for paid content. Top-rated channels charged PKR. 350,000 to PKR. 400,000 per minutes for paid content.

- In 2013 elections, as well, the Pakistan Broadcasters Association raised advertisement prices by 25 percent. The upper limit for National Assembly candidate was PKR. 1.5 million and for National Assembly candidate, PKR. 1 million. Top-rated channels charged approximately PKR. 300,000 for one minute paid content in 9-10 pm slot and medium sized channels charged approximately PKR. 75, 000 for one minute paid content in 6 pm-midnight timeslot.

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 United States and Europe, print media suffers more than electronic media during economic recessions. The variations can be due to a number of reasons such as media planning and marketing, limited number of advertising companies in the market, and media contents 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 severe financial consequences for the media houses and organizations. 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 summarizes that advertising expenditures across various forms of media improve as GNP increases.
- Economic activity and advertising expenditures moved in the similar directions based on the findings of the research conducted by Swerdlow and Blessios (1993).
- Shaver and Shaver (2005) by conducting a research on 8 developed countries concluded that 6 countries showed positive articulation 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 media market, just like any other market.

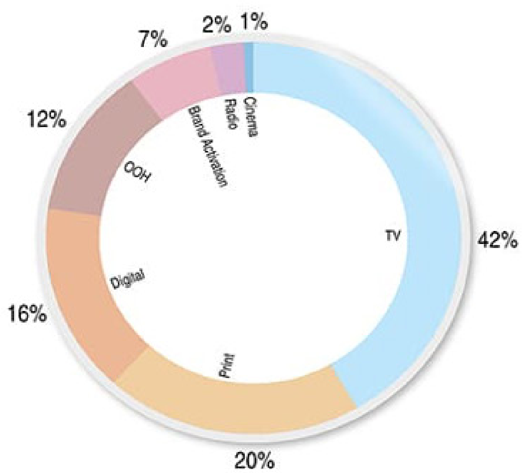
After having explained importance of media advertising spend for survival of media organizations, in general, and media market, in particular, in the subsequent text is explained research conducted by Aurora and Gallup Pakistan on the dynamics of media advertisement spend since 2011, what has been the expenditure share of different forms of media, and reasons accounting such differences in shares. 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. When compared with FY 2017-18, all forms of media barring digital and OOH has shown decline in ad-spends in FY 2018-19. Comparison reveal 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 issue, details ad-spend as follows.

MEDIA ADVERTISING SPEND

Source: *Aurora* in consultation with industry sources.

FY 2018-19

Total Advertising Spend

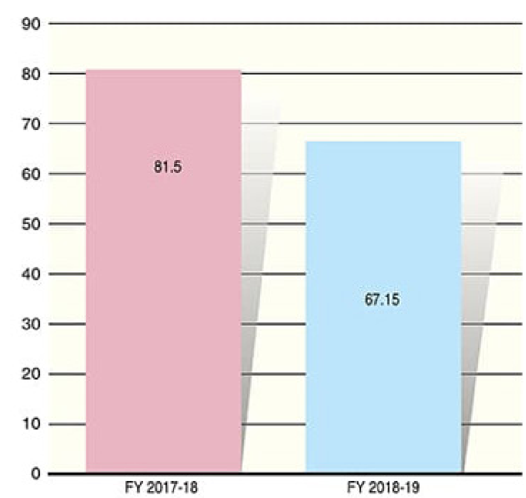


	FY 2017-18		FY 2018-19	
	Rs (billion)	Share	Rs (billion)	Share
TV	38	46%	28	42%
Print	19.5	24%	13.5	20%
Digital	8	10%	10.5	16%
OOH	7	9%	8.4	12%
Brand Activation	6	7%	4.5	7%
Radio	2.5	3%	1.75	2%
Cinema	0.6	1%	0.5	1%
Total	81.6	100%	67.15	100%

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)

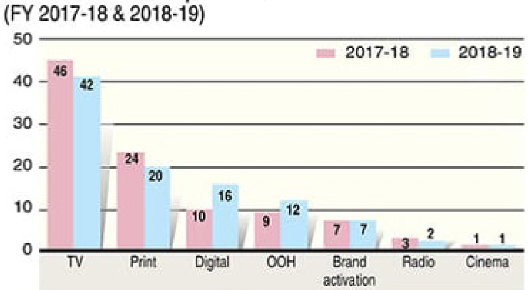
(FY 2017-18 & 2018-19)

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

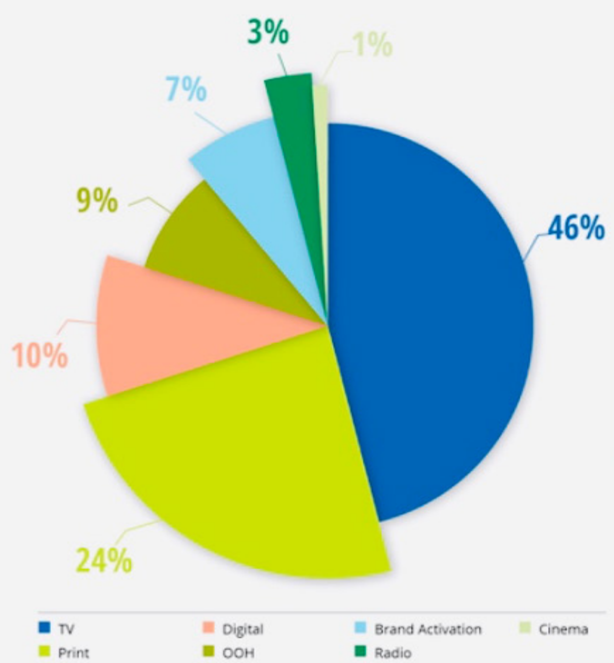
(FY 2017-18 & 2018-19)



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**

MEDIA ADVERTISING SPEND 2017-18

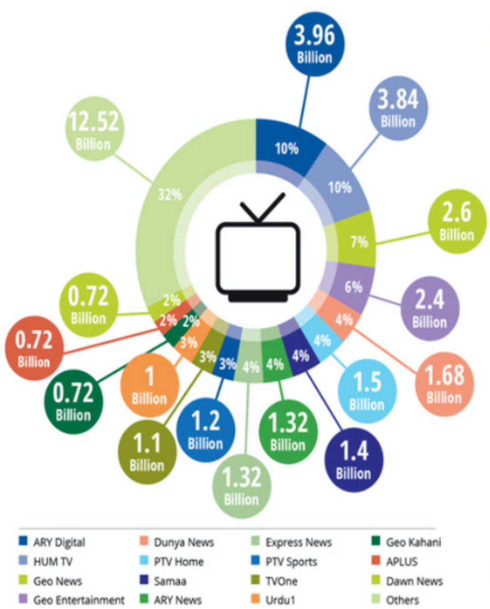


	FY 2016-17		FY 2017-18	
	Rs (billion)	Share	Rs (billion)	Share
TV	42	48%	38	46%
Print	20	23%	19.5	24%
Digital	5.5	6%	8	10%
OOH	11.8	13.5%	7	9%
Brand Activation	5	6%	6	7%
Radio	3	3%	2.5	3%
Cinema	0.4	0.5%	0.6	1%
Total	**87.7**	**100%**	**81.6**	**100%**

Data compiled by Aurora & Gallup Pakistan highlights media advertising spend on TV, print, digital, radio, cinema, brand activation, & out-of-home categories. Ad-spend trends for FY 2016-17 and FY 2017-18 are shown. Overall, ad-spend has decreased from FY 2016-17 to FY 2017-18 (87.7 billion to 81.6 billions). 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 from FY 2016-17 to FY 2017-18.

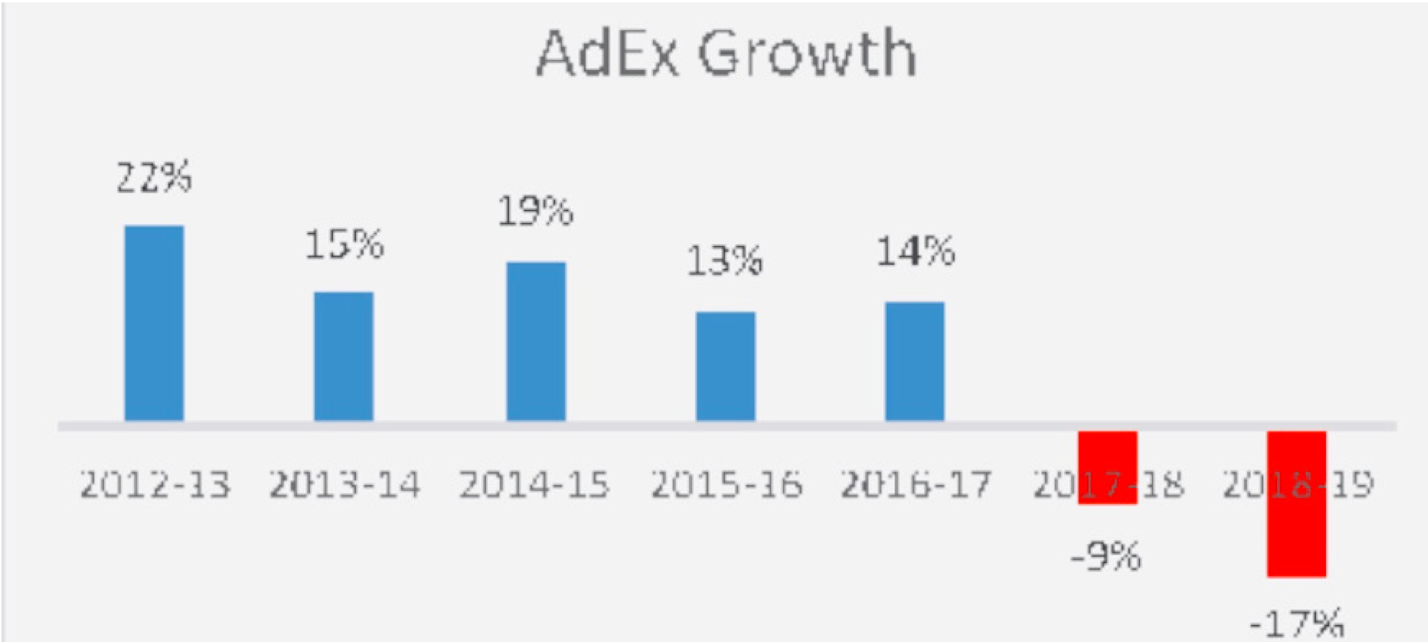
MEDIA OWNERSHIP MONITOR PAKISTAN — freedom network — REPORTERS WITHOUT BORDERS

TV SPEND BREAK-UP 2017-18



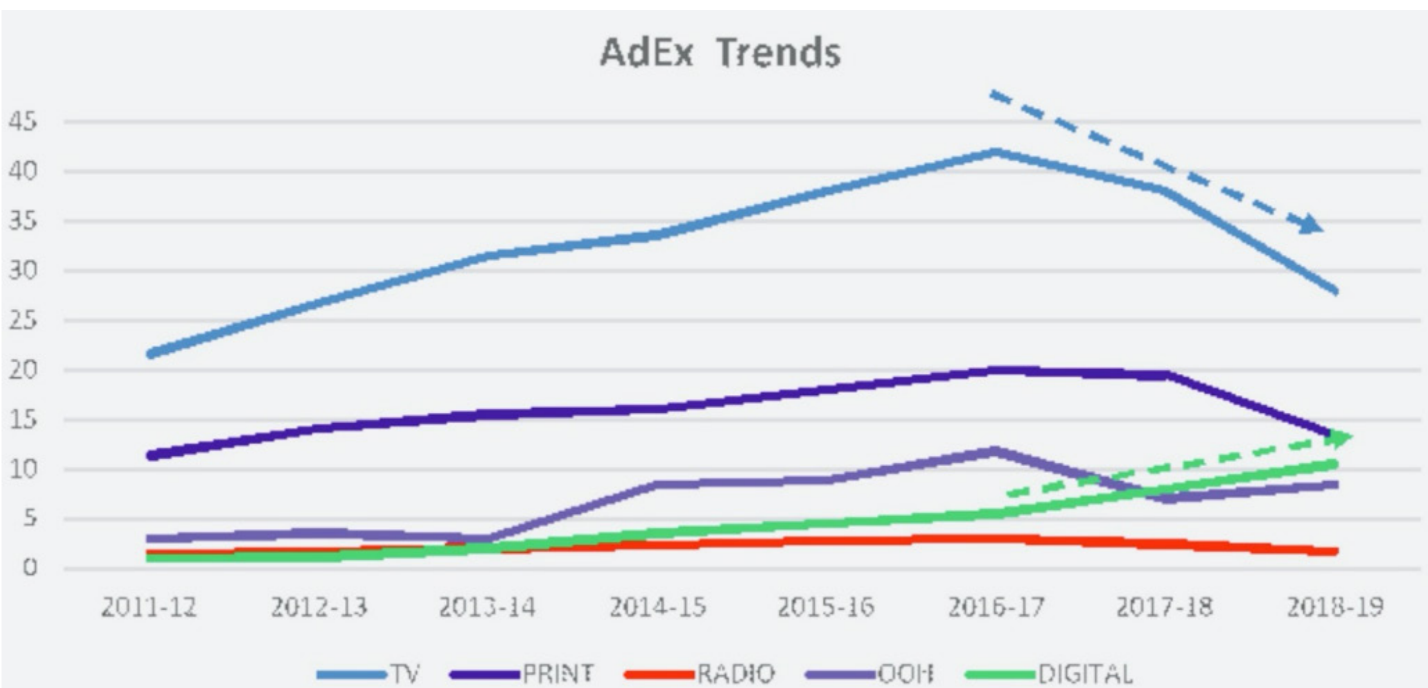
Channel	Rs (billion)	Share
ARY Digital	3.96	10%
HUM TV	3.84	10%
Geo News	2.6	7%
Geo Entertainment	2.4	6%
Dunya News	1.68	4%
PTV Home	1.5	4%
Samaa	1.4	4%
ARY News	1.32	4%
Express News	1.32	4%
PTV Sports	1.2	3%
TVOne	1.1	3%
Urdu1	1	3%
Geo Kahani	0.72	2%
APLUS	0.72	2%
Dawn News	0.72	2%
Others	12.52	32%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

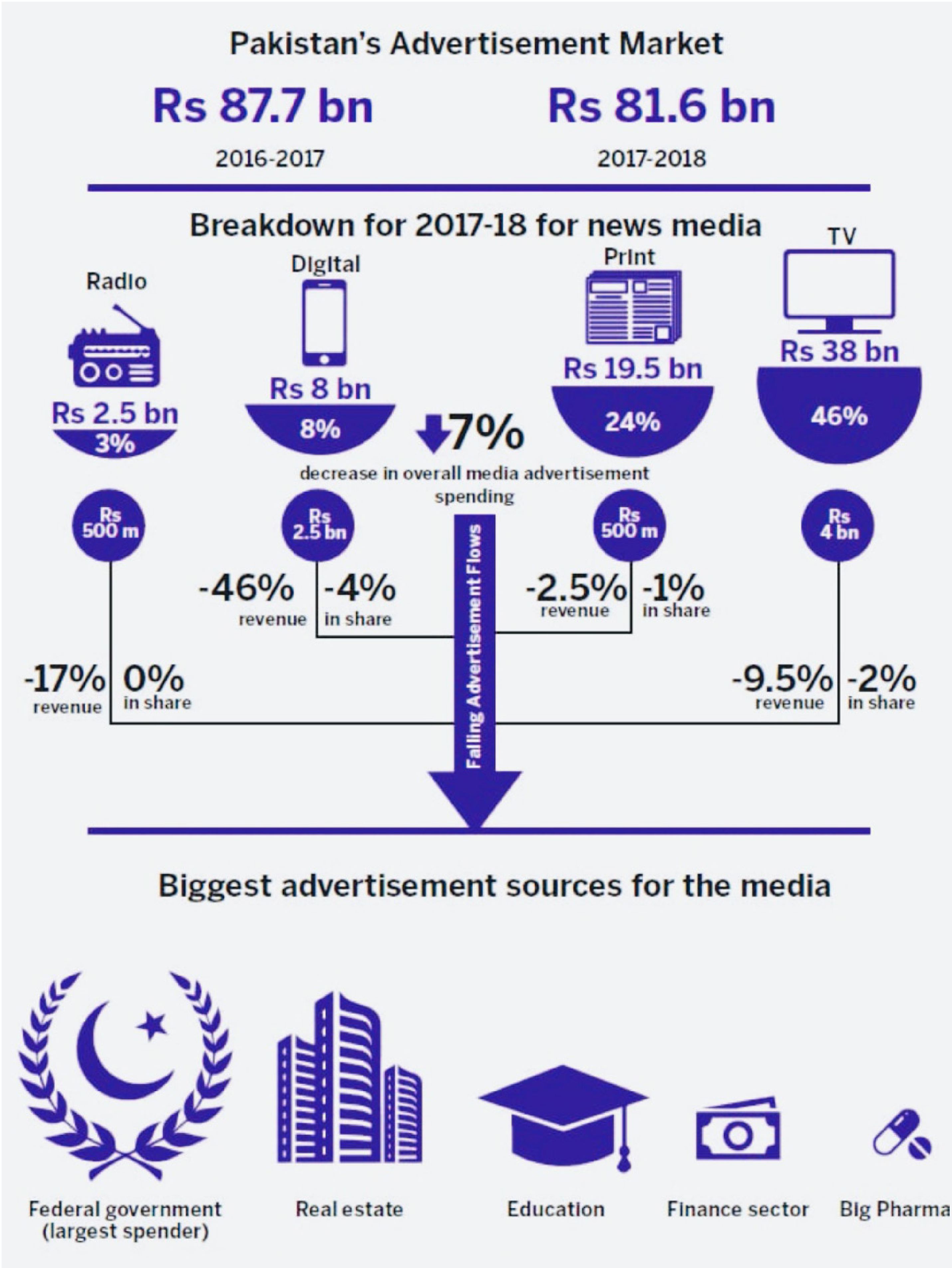
The data about TV spend break-up is compiled by Aurora & Gallup Pakistan for FY 2017-18. Data shows that with respect to ad-revenues in the fiscal year 2017-18, out of top 15 TV channel earners, 7 were news channels & the rest were entertainment channels. Among news channels, GEO & Dunya News raked in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



Ali (2019) 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. Same are cases with print and radio categories. The exception is digital category where there has been observed a growth since 2016.




Pakistan's Advertisement Market
Rs 87.7 bn
2016-2017
Rs 81.6 bn
2017-2018
Breakdown for 2017-18 for news media
Radio
Rs 2.5 bn
3%
Digital
Rs 8 bn
8%
Print
Rs 19.5 bn
24%
TV
Rs 38 bn
46%
7%
decrease in overall media advertisement spending
Rs 500 m
Rs 2.5 bn
Rs 500 m
Rs 4 bn
-46% revenue
-4% in share
-2.5% revenue
-1% in share
-17% revenue
0% in share
-9.5% revenue
-2% in share
Falling Advertisement Flows
Biggest advertisement sources for the media
Federal government (largest spender)
Real estate
Education
Finance sector
Big Pharma

The above figures summarizes Pakistan's advertisement market detailing that advertising expenditure has reduced from 87.7 billion in FY 2016-17 to PKR. 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 as the minimum share (3%). The figure also highlights major advertisement sources for media in FY 2017-18, which include Federal government, real estate, education, finance 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 criticized for being sensationalist, unethical and overly commercial. Over the years, the quality of content has degraded 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 TAM system which caters to big cites namely Lahore, Karachi, and Islamabad. TAM helps in systematically recording and analyzing 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 nation-wide TV ratings. 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 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 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 broadcast sector opened up for private ownerships 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 in order to reach out to larger audiences. They 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 contingence on revenues collected from advertisement base, the quest to secure highest ratings is critical for media houses for their survival. Following two groups collect data for media ratings in Pakistan.

BOX 3:
Media Houses Conducting Media Ratings in Pakistan

- Gallup Pakistan 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.
- Medialogic 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.
- PEMRA has listed 5 registered TAM/TRP services companies in Pakistan:
  - Medialogic Pakistan
  - Media Voir
  - Din Industries Limited
  - Breeo International
  - The Media Trackers

TAM provides data to advertisers whose interests are in finding best TV channels and timeslots for their product's advertisements and coverage. Baig (2014) finds it even more problematic when broadcasters start fine-tuning their program or news contents as per the wish list of the advertisers. Given that 100% broadcast media's revenues are dependent on advertising revenue, hence making media content 'advertiser friendly' becomes a survival strategy for media houses. In their incessant quest to secure more revenues, securing 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-commercialization and looking out for stories, news and political narratives that can generate more ratings rather than providing news and contents that are of greater public and political significance. The report by Baig and Cheema (2015) discusses financial structure of the media industry of Pakistan, and explains how it has become the cause of so-called over-commercialization of media. In addition, the report also explains the economic landscape, financial and technical infrastructure of Pakistani broadcast media. Economic infrastructure of the media industry is such that it does not provide financial support to the small broadcast channels and local/regional channels. It rather puts them at a disadvantage. Biasness towards news coverage from urban centers sidelines critical issues of concern for population in rural areas. Urban-centric TRP system is also marginalizing regional channels, which mostly cater to the regional news. The report also calls for conducting surveys to collect data from rural areas and other urban centers. There is only one source from where we get the information about 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 monopolization of TRP data and will also enable cross-verification.

Media has aligned itself with commercial enterprises, political and non-political organizations 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's no longer considered impartial from the consumer's standpoint and therefore has lost most of its credibility. The broadcast media over-relies on advertisement revenue. This is a big economic problem in the media industry. There can be ad-based revenue generation but also subscription-based revenue generation as well as part ad and part subscription-based.

6. PEMRA's Role as Regulator of Broadcast Media

PEMRA is a regulatory authority responsible for providing channel licenses for foundation of the broad communication, print and electronic media. Among PEMRA's objectives is to encourage private electronic communications industry and to improve the principles of data, instruction and amusement. Media law is related to the legal regulations of the telecommunication industry, information technology, press, broadcasting, advertising, entertainment industry, 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 private sector. By late 1990s, in order to control the expansion of Indian satellite channels, the idea to introduce private TV networks to attract public towards local content was focused upon. PEMRA started its functional operations in 2002. It regulates and issues channel licenses for setting up of the electronic media broadcast stations. It also monitors quality and quantity control. It comes under its mandate that the media content or the person which/who defames the Head of the State, armed forces or executives, legislative or judicial constituencies of the State is liable to be jailed for up to 3 years and fined up to 3 million rupees with cancelled license

Media laws have gone through rampant 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 nationalizing 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 in-line with Islamization sentiment were introduced in 1980s. Later, in General Pervez Musharraf's reign Pakistani Electronic Media boomed and liberated in the country. The liberal media laws broke the State's control on electronic media. In addition to this movement, television broadcasting and FM radio licenses were issued to private news sources. The involvement of the private sectors has undermined the government's authority and its ability to control over the broadcast industry. Private media enlarges avenues of current affairs, news shows, kids show, arts and culture, and science and technology.

PEMRA specifies some codes for broadcasters as well as cable operators. The codes are divided 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 regimes are designed as such that these allow 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 organization to take 'cognizance 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 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 authority about line of action which can be censure or fined 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 program or advertisements. PEMRA can also suspend the license of the violator. PEMRA is the sole authority to lodge a complaint to a court of law to take cognizance of such complaints. The issue is not of quality and quantity controls done by PEMRA, the problem is that of circumventing its role only as the regulator of media content rather than regulator of media market. Airwaves being a public good ought to be regulated by the State authority for indiscriminate 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, at a time when it was institutionalized.

The scholars of political economy of communication also look upon concentration of ownership of media outlets by single group as harmful act to the industry. For instance Rasul and Macdonald (2012) quote Mosco (2009) while discussing the harms of concentration of ownership of media outlets. When big corporations are allowed to capture major chunks of the market, according to Mosco (2009), they are then able to decide the economics of broadcast media through which they can limit, mold, and in many case show custom news more suited to their agendas leading production of less reliable media products while consumers are unaware of it . 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 check on big corporations and facilitating the small local and regional broadcast media outlets.

Among PEMRA's mandate is to publish annual reports about 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 following facts:

- 65% of 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 sports and 1 agro-based channel licenses. 35 landing rights permissions 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 programs and advertisements, and suspension of 13 TV channels.

7. What can be Done Next?

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

- The censorship role of PEMRA is problematic which is not helping quality-controls and checks as there is a political economy to TRP system which is driving national narrative in which real issues country is dealing with are completely ignored. Moreover, PEMRA Ordinance which was institutionalized 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. 2 of the objectives stated in its mandate elucidate:
  - » To facilitate the devolution of responsibility and power to the grass-roots by improving the access of the people to mass media at the local and community level.
  - » To ensure accountability, transparency and good governance by optimizing 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 organizational and discursive fronts. In this context, an evaluation of PEMRA is mandatory.
- The budgetary allocation to cultural industries, including media, has been inconsistent, at best, in Pakistan. In the light of the preceding text related to US media economy, the broadcasting networks have increased in size and media sector has increased at a rate higher than country's GDP. Multiplier impacts of one-time investment in media economy have actually been empirically tested across the globe and in many cases, the results are positive. In this regard, why not to actualize multiplier impact in Pakistan by pulling in more economic resources and generating growth and employment in the country?
- The model of public-private partnerships have helped revive regional media in India and Bangladesh. The same model can be tested in Pakistan. The inclusion of regional media will also help address the issue of urban-bias in current TRP system of broadcast media in Pakistan.

- Autonomous status of PEMRA is also questionable. It is argued that an autonomous regulator media free of any government or State control is desirable. In Pakistan, PEMRA laws authorize the Federal Government to issue policy directives to PEMRA. Moreover in 2017, the government of Pakistan linked PEMRA with the Ministry of Information and Broadcasting. This ministry exercises the power of the Federal Government to issue directives which further compromises on the autonomous and independent status of the regulatory authority, hence decision regarding issuance of licenses for broadcast media is under the directives of the government.

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