

# Bringing Public Service Broadcasting to Account

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“All publicly-funded bodies in the 1990s are, or should be, directly and visibly accountable for delivering, against clearly defined objectives, the highest standards of performance to the public they serve” – thus wrote the BBC Board of Governors in *An Accountable BBC*, a brochure published in 1993.

This is true, of course, and media accountability is a growth industry today (McQuail, 1997; Smith, 2002, WRTVC 2002a, 2002b), but one wonders if the governors had an inkling then of what a high-stakes game accountability of public service broadcasting would become a mere 10 years later. It could, without exaggeration, be described as a life-or-death struggle for PSB broadcasters. There is increasing pressure on the public service media to account for everything they do, while progressively “lighter touch” regulation seems to be the future for the commercial media<sup>1</sup>.

The reason for this is that in the media policy environment of the early 21<sup>st</sup> Century – based on recognising limitations of government and policy-making, while competition and self-regulation are promoted (McQuail, 1998, 2000) – PSB is increasingly portrayed as an exception to the ‘normal’ rules applying to broadcasting and audiovisual industries. Commercialism and economic objectives take pride of place in media policy, with “marketization” in the ascendant (Murdock and Golding, 1999). The whole notion of the public interest in mass communication is in question (Brants et al, 1998).

As commercial media grow in power, they are able to affect government policy more and more. One of their objectives in this is certainly the marginalization of public service media as a market competitor. While PSB is presented as an exception today, it is likely to be defined as an anomaly tomorrow, and a useless throwback to a long-gone era the day after tomorrow. Hence in part the European Union saga of debating the financing of public service broadcasting, to which we will return below. Governments and regulators are under pressure to justify their policies *vis-à-vis* PSB<sup>2</sup>. PSB broadcasters are more and more often required to justify their very existence.

Although a wide array of accountability mechanisms already exist<sup>3</sup>, public service broadcasters are encouraged or obliged to extend them or de-

velop new ones. Meanwhile, the essential modernisation of the concept of PSB and its adjustment to new realities may be prevented by the very accountability systems being introduced today. If that happens, we will have seen a self-fulfilling prophecy in operation: a campaign to question the need for PSB will indeed prove that there is no justification for its continued existence – in the outdated form that accountability systems may force it to preserve. What clearly hangs in the balance is the future of the typically European dual system of broadcasting. All the lip service paid to PSB by governments notwithstanding, we may be seeing the beginnings of a growing momentum ultimately to replace it with a single-sector system comprising nothing but commercial and increasingly consolidated broadcasters.

The sentence cited at the outset seems simple. In fact, every word is a potential trap. “Publicly-funded”, “directly and visibly accountable”; “clearly defined objectives”; “the highest standards of performance”; “the public they serve” – only a very naïve public service broadcaster would assume that these concepts are self-explanatory. Far from it: every one of them has become the object of a pitched battle. The way these battles are decided will be crucial for the future of PSB.

Even leaving all the above considerations aside, accountability is a requirement for public service broadcasting, and it is one that poses serious methodological and other problems. Media accountability is a growth industry, as noted above, but has yet produced few definitive answers. Our objective here is primarily to take stock of the way it has developed so far in relation to PSB.

First, we will review some of the issues involved in creating a PSB accountability system and offer examples of how this is done. The major stumbling block to creating such a system is precisely defining the objectives and standards of performance, as well as ways of serving the public – in short, defining PSB itself, a matter far from finished. We will review existing models of PSB, including two recent efforts by the European Broadcasting Union’s Digital Strategy Group and the European Commission, to advance the job of creating a contemporary understanding of PSB. They are by no means conclusive, and since the likelihood of one definition of PSB being accepted by all countries is practically nil, no universal system of accountability can be expected. Different systems will have to be used, depending on the nature of PSB in each country. In addition, given the multi-faceted nature of PSB organisations and their different activities, we will conclude by suggesting that perhaps the only way forward may be to disaggregate the activities of PSB broadcasters and assess different activities with the use of different criteria.

## PSB accountability dilemmas

Accountability has long been recognised as a defining feature of public service broadcasting, but in the past it involved mostly “licensed participants” (broad-

casters, politicians, intellectual and cultural elite), whereas “often shut out were the voices of ordinary viewers and listeners, to whose *opinions* (as distinct from *attendance*, measured by ratings), the system was largely indifferent” (Blumler, Hoffman-Riem, 1992: 219). In short, the system involved “upward” lines of accountability *vis-à-vis* power holders and the elite, rather than “downward” lines of accountability to the audience/public.

Raymond Williams (1968: 117-118) has defined PSB as a paternal system whose duty is to protect, guide and to develop the majority in ways thought desirable by the minority. By contrast, Syvertsen (1999: 6-7) has noted that a current definition of ‘public service’ involves a concept of the public as individual consumers of the media, whereby the prime purpose of PSB is to satisfy the interests and preferences of individual consumers rather than the needs of the collective, i.e. the citizenry. It is obvious that these two views of PSB would prompt radically different answers to the main questions involved in any accountability system (e.g. what it should account for, to whom it should be accountable, and how it should render an account for what it does).

### *Accounting for What?*

The answer would appear to be simple: “performance”, i.e. content, quality and benefits claimed or looked for from media. However, if by ‘performance’ one means programming, the debate (e.g. within the European Union, see Harrison and Woods, 2001) about whether PSB should be defined in quantifiable terms purely by genres of programming, or whether a more qualitative definition is needed, already poses a problem. A quantitative approach (as suggested, for example, by the European Commission’s DG IV in 1998, see below) would make PSB accountability relatively easy, depending, of course, on the methods adopted for the purpose<sup>4</sup>. Hellman (2001) shows, however, that any attempt to analyse the diversity of programming content on PSB channels immediately runs into complex methodological problems.

In addition, PSB ‘performance’ is often defined also in terms of more wide-ranging benefits to be derived from its existence. These include, for example,

- redressing market failure and “wider economic benefits”, flowing from having a better informed and educated public (NERA, 1991);
- a benchmarking and standard-setting role for commercial broadcasters, shaping the broadcasting ecology (McKinsey & Company, 1999);
- social and structural benefits flowing from the coexistence of different sectors of broadcasting, with PSB accountable for serving that society in ways it requires (Graham, 2000).

It seems unlikely that a rigorous accountability system that would capture these indirect effects of the proper performance of PSB could be created.

What, however, of financial accountability? Of the economic “performance measures” listed by Picard (2002a), “revenue growth” can be used only for advertising, programme sales and other commercial income. “Productivity measures” are more appropriate, though in some cases they may be difficult to apply, given the PSB mandate to experiment, try untested programme formats and provide artistic, cultural and educational programming. ‘Results’, too, need to be analysed differently, depending on the exact nature of the type of activity under consideration.

Yet another area of accountability concerns “audience performance”, a particularly difficult issue for PSB broadcasters facing strong competitors and trying to preserve their distinctiveness (see e.g. Picard, 2002b). “Audience performance” is traditionally measured with the use of such criteria as ratings and audience share. However, ‘audience performance’ should also be measured in terms of public satisfaction with the programme service and of how much consumption of PSB programming is valued either in absolute or relative terms, or how differently it is perceived from the commercial alternatives (Ellis, 2002). Value attached by the audience to their PSB viewing or listening experience and to time spent with this type of programming is another criterion to apply (Curry, Bourne, 2002).

According to a BBC view (Mundy, 2000/2001), traditional measures of public broadcaster success (reach, share and range of genres shown in peak times) remain important. While audience share is not a critical measure in itself, any PSB broadcaster that fails to achieve ‘good levels’ of share loses the opportunity to direct viewers from popular programmes to more challenging ones via promotion. However, it believes that another measure of measuring performance needs to be added, and that is “approval” (expressed in such sentiments as: “Overall approval of the BBC”, “glad the BBC exists”, “value the service the BBC provides”, “the BBC provides something the market does not”, “the BBC offers good value for money”). Another measure is “memorability of output”, defined as both high audience/high memorability (the programmes people talk about at work the next day), and niche audience/high memorability (“TV that strikes a chord and inspires me as an individual”). If a broadcaster can increase the share of memorable output (by creating compelling content in the programmes and genres that fit in with the PSB mission) that matches the wants and needs of all its audiences, then approval will grow.

If it were not for all the accountability requirements imposed on, or voluntarily accepted by the BBC, this could sound as the easy way out: all you need to do is to run a few polls and if the public pronounces itself as satisfied, your accountability exercise is successfully concluded.

*Accounting to Whom?*

Following Born (2002), we may distinguish three forms of accountability and audit procedures: (i) external regulation; (ii) self-regulation: externally-oriented; (iii) self-regulation: internally-oriented<sup>5</sup>.

Depending on the particular frame of accountability (McQuail, 2000: 183-187) applied, the external partners in an external accountability relationship will vary:

1. In the case of the law and regulation frame, it is the lawmakers, public authorities and the regulator.
2. In the public responsibility frame, it is the public<sup>6</sup>.
3. In the professional responsibility frame, it is professional and artistic elites and their organisations.

Of course the choice of which frames of responsibility applies depends, in the first place, on the choice of the model for PSB in a particular country (e.g. the market frame is certainly relevant to some extent for all PSB broadcasters partly financed from advertising).

Responsibility/accountability systems are usually imposed by lawmakers and regulators, and they usually serve as primary accountability partners. Still, all public service broadcasters include in their organisational structure a governing or supervisory body, designed (in theory, at least) to represent the interests of society in general and charged with the task of overseeing the operations of the organisation. In the Netherlands, the power of the NOS supervisory board to appoint a 5-person group of experts responsible for conducting the audit of PSB performance in the whole country may perhaps be seen as a signal that also this element of the supervisory and accountability system of PSB is coming in for reassessment and enhancement.

Another clear indication of this trend are recent changes in the system of BBC governance (see BBC, 2002), resulting from preparations in the UK to introduce a three-tier structure of regulation and licensing. In Tier 3, the BBC will be primarily subject to self-regulation, with the Board of Governors assuming primary responsibility in this area. The office of the Canadian CBC Ombudsman offers another example of an internal accountability mechanism.

Many PSB broadcasters have developed forms of communicating their objectives and pledges to the public in an attempt to enhance their legitimacy in this way. Born (2002), for example, points to the BBC's "frenetic and visible performance of self-regulation" which includes the BBC Programme Complaints Unit, the Board of Governors' "The BBC Listens"; 4-yearly review of services: expert and public opinion; public consultations on changes and new services; *BBC Online* inviting feedback on the *Annual Report* etc.; Governors' seminars; *Annual Statement of Promises*, etc.

Another example are the CBC rolling corporate plans (*Our Commitment to Canadians* for 1999/00 to 2003/04, *Entering the New Millennium* for 2000-

2001 to 2004-2005, and *Renewing and Strengthening the CBC* for 2001-2002 to 2005-2006).

An interesting case of such externally-oriented self-regulation is the 2001-2003 *Corporate Plan* (SBS, n.d.) adopted by Australia's Special Broadcasting Service. It specifies objectives in four key performance areas (programmes and audiences; "Relationships with our Community"; "SBS 's People"; and business activities), and in addition defines performance indicators by which the corporation is prepared to be judged. However, many of them are of a purely formal nature. This and the fact that no performance indicators have been formulated for some archetypical PSB objectives<sup>7</sup> illustrates the difficulty of accounting for the performance of a public service broadcaster.

### *Accounting How?*

Examples cited above already list a wide variety of methods of rendering an account for what PSB organisations do. Outlining "possible ways forward" in developing PSB accountability in the new era of competitive broadcasting, Blumler and Hoffman-Riem (1992) proposed that a public accountability system should be conceived as a set of interconnecting elements, since no single one of them can do the whole job. They highlight six elements for such a system:

1. Enhancing the autonomy and role in organisational decisions of media professionals (journalists and others) who should be involved in determining organisational policy together with the management;
2. Greater involvement for social scientific research into mass communication, more interchange between researchers and management bodies and public interest advocates;
3. Greater involvement of social groups in debates of broadcasting policy;
4. Greater involvement of, and attention to, the views of radio and television critics in the press and elsewhere;
5. A greater role for citizens' organisations in broadcasting accountability, so the debate is not confined to the elite alone;
6. Periodic appointment of bodies (e.g. National or Regional Television Fora) which would bring together all these various strands of opinion and would be responsible for the agenda and quality of the broadcasting policy debate.

Not much has survived from these idealistic proposals. As we have seen, "upward" lines of largely formalised accountability (reports, audits, execution of licence obligations, etc.) continue to prevail.

This takes the form, for example, of 'public service audits' developed in Scandinavian countries. Swedish public service broadcasters submit annual

reports to regulators, covering total output in relation to pluralism and variety, focus areas of public service (democracy, culture and entertainment), audience use and attitudes to services and use of resources, reflecting changes in efficiency and productivity. Similar audits are conducted in Denmark and Norway and are being introduced in Finland (Hulten, 2002).

Elsewhere, licences or authorisations of some sort are issued to PSB broadcasters (Canada, South Africa, the Netherlands, the Flemish Community of Belgium, and, soon, Poland) and they are required to make detailed statements of programme policy and to be accountable for their implementation (see Mendel, 2000).

The Dutch and British schemes include an element of “regulated self-regulation” (Schultz, Held, 2001), providing for broadcaster involvement in defining its own programme obligations. However, the British system proposed in the new “Communications Bill” will give the regulator and government extensive powers to shape or determine the remit and programme policy of PSB broadcasters<sup>8</sup>.

## Defining public service broadcasting and what it should be accountable for

As can be seen from the above, little headway can be made in developing an accountability system until we have a clear and universally accepted definition of public service broadcasting with its tasks and objectives (and therefore of the criteria to be applied in assessing its performance).

In the past, state/public service broadcasting did not need anything more than “a generalized mandate” (some broadly worded obligations in legal documents; Blumler (1992: 8). Today, if the PSB regulatory framework is to form an exception to general market- and competition-oriented media regulation, there must be a clearly defined conception of such broadcasting (Born, Prosser, 2001). At the same time, however, public service broadcasting is becoming more and more diversified as it develops new forms, making the job of defining it even more difficult. Defining public service broadcasting is by now a favourite pastime (for an overview see Jakubowicz, 2000; see also Syvertsen, 1992, 1999), so much so that ultimately that definition, like beauty, is in the eye of the beholder<sup>9</sup>.

A number of quite varied models of public service broadcasting co-exist in Europe today. Before we look at them, let us clarify related work undertaken by the EBU Digital Strategy Group (DSG) because it offers a framework. The Group found that a possible point of departure for describing public service broadcasting is a combination of three central features or elements in a “contract”, bestowed upon a broadcasting institution by society: (i) its obligations to society, (ii) the regulatory framework required for it to produce and distribute the programming by which it fulfils its obligations, and (iii) the method of financing its activities (*Media with a Purpose*, 2002).

PSB obligations and programme quality are seen here as the central feature of the definition of public broadcasting, ensuring its distinctiveness from commercial competitors. Public service broadcasters are obliged to serve the whole of society by enhancing, developing and serving social, political and cultural citizenship. Distinctiveness is no longer sufficiently achieved solely in terms of programme content, which is why the DSG points out that today correcting “market failure” need not mean only provision of genres and programme types that are not available elsewhere. It also means the provision of public content (free-to-air radio and television) otherwise only offered on a pay-TV basis.

Further, in performing their obligations the PSB broadcasters’ role is to provide media content with the following characteristics:

- Universality of content, understood as both universality of basic supply on generalist channels (including mass-appeal, entertainment programming), that will be central to what public service broadcasters offer to the public, and also universality across the full portfolio of services, some of them specialized or tailored for specific audiences, adding up to a more extended and comprehensive range of services;
- Universality of access, signifying presence on “all significant media and platforms” with significant penetration, but also the ability to deliver a “personalized public service” in the “pull”, online and on-demand environment
- Editorial Independence;
- High quality of services and of output;
- Accountability.

The DSG accepts that publicly funded broadcasters might also have activities outside the public service remit, and finance those on a commercial basis. The DSG also observes that because of technological change (multi-media and the change in the media value chain) public broadcasters cannot, in the long run, avoid co-operation with commercial companies because they perform gate-keeping functions. Co-operation is essential to avoid losing access to the audience: “Thus, it might be more and more difficult to separate public broadcasting from the commercial market and its sources of financing, and to draw a clear line between commercial and non-commercial activities” (*Media with a Purpose*, 2002).

This necessarily eclectic view of PSB (universality of content, but also thematic channels; universality of access, but also “personalized public service”; distinctiveness, but also commercial activities) illustrates the difficulties involved in defining PSB and developing an appropriate accountability system.

But the DSG conceptual framework also makes it possible to analyse the models now appearing in the European debate in terms of the main features of PSB.

**Table 1.** Models of PSB appearing in the European debate

PSB MODEL	FEATURES					
	Distinctive-ness	Universa- lity of access	Universa- lity of content	Indepen- dence	Accounta- bility	Funding
<b>Attrition model</b>	High	High	High	Low	High	n.a.
<b>Distributed public service "Monastery" model</b>	Low	Low	Low	Low	Low	Comm..
<b>Classical model</b>	High	High	Low	Low	High	Public
<b>Semi-commercial model</b>	Medium	High	High	n.a.		Mixed
<b>Pure PSB digital model</b>	Low	High	Low	Low	Low	Mixed
<b>Full portfolio "Horses for courses"</b>	High	High	Low	n.a.	High	Public
<b>Personalized public service</b>	Medium	High	High	High	Medium	Mixed
	n.a.	High	Low	n.a.	n.a.	n.a.
	Low	Low	Low	n.a.	Low	n.a.

Two of these models are clearly being pushed by opponents of PSB:

- “Attrition model”: PSB broadcasters should not be allowed to adopt digital technology, develop new channels or services, or move into the Internet; all of this should be reserved for commercial broadcasters.
- “Distributed public service”: Public service programming can be separated from the organisations performing it today. It can be offered by any (commercial) broadcaster, commissioned (and probably financed) to do so by the regulator<sup>10</sup>.

Two other models are being promoted both by opponents of PSB, and by purists opposing its commercialisation:

- “Monastery” model: PSB as a “niche” broadcaster, a complementary service, making available content commercial broadcasters cannot broadcast profitably.
- “Pure PSB digital model”: PSB broadcasters are able to launch new digital channels, but with strictly mission-oriented programming.

Three models result from other policy approaches adopted in particular countries:

- “Classical model”: Typical PSB analogue broadcasters of today, mixing quality and popular programming on generalist channels.

- “Semi-commercial model”: PSB broadcasters who rely on advertising revenue to such an extent that it affects their programming policy, forcing them to compete for audiences with commercial broadcasters by means of very similar programming.
- “Horses for courses”: Specialised public service broadcasters pursuing different aims (e.g. BBC and Channel 4; or France 2 and France 3).

Finally, there are two models that can be seen as representing an answer to the dilemmas facing PSB broadcasters today and tomorrow:

- “Full portfolio”: The full gamut of universal and specialised broadcast, digital and on-line services, also of a commercial nature (this has the support of DSG and of the EU, see below).
- “Personalized public service”: As audiences move to the interactive, online, on-demand environment, public service broadcasters will need to transform themselves also into providers of individualised public service content.

We should again highlight the eclectic and multi-dimensional nature of most of these models. With the exception of the “monastery model” and “pure PSB digital model” where qualitative content criteria would suffice as an accountability framework, all the others require the development of comprehensive and (partly internally) contradictory sets of criteria. In the “full portfolio” model, for example, different sets of criteria would need to apply to core public-service activities, but quite different ones to additional, non-public service activities of a commercial nature designed mainly to obtain additional revenue to fund core programme activities.

## The EU approach: Solution or further complication?

In search of an answer to our dilemmas, let us next consider the EU approach. Complaints against what was regarded as State aid to PSB (Harrison, Woods, 2001), based on the application of Treaty provisions concerning protection of competition to public service broadcasting, forced the EU to develop a view that may offer a solution to the quandary of establishing an accountability framework for PSB.

In an effort to resolve the state aid issue, related to possible violations of Art. 87 of the Treaty, a Protocol to the Amsterdam Treaty on public service broadcasting (known as the Amsterdam Protocol) was adopted in 1997<sup>11</sup>. This failed to provide sufficiently clear guidance on how the mission of PSB should be understood. After a subsequent “discussion paper” (DGIV, 1998) meant to clarify the EU stand on PSB<sup>12</sup> was rejected by member states, a *Communication on the application of State aid rules to public service broadcasting*

was published (European Commission, 2001a). Meanwhile, a new *Communication on services of general interest* (European Commission, 2000a) and the amended “Transparency Directive” (European Commission, 2000b) were also adopted. These clarify questions related to the financing of services of general economic interest, and broadcasting is defined as such in the EU (see European Court of Justice, 1974). This policy framework allows for separate accounting in such services for public funds (which could be spent only on performing the public service mission so as not to distort competition) versus other, commercial revenue. The Commission later announced that it would intervene in cases where a distortion of competition arising from aid could not be justified with the need to perform the public service (European Commission, 2001b).

All of this creates a two-tier system of accountability. PSB organisations in EU member states are accountable to public authorities, and the member states themselves are accountable to the European Commission for the way they confer, define, organise and finance the public service remit, as well as institute and operate programme and financial accountability systems for PSB broadcasters. That would seem to offer hope that an accountability system could be developed on this basis, providing clear criteria at least as to what constitutes the public service remit of PSB broadcasters in EU countries and how to distinguish it from other programming.

Regrettably that is not the case. After years of internal wrangling and debates (Tongue 1996; European Parliament, 1996, DGIV, 1998; European Commission 1998; Council, 1999; European Commission, 2001; Harrison and Woods, 2001; Coppieters, 2002), the various bodies of the European Union have come to accept a view of PSB which can be summarised as follows: (i) PSB is directly related to the democratic, social and cultural needs of society and media pluralism; (ii) PSB has a comprehensive mission: to offer a wide range of programming in order to address society as a whole, including a suitable balance of entertainment, culture, spectacles and education and has a natural overlap with commercial broadcasting in popular programming: that would include sport, comedy, drama, news and current affairs; (iii) PSB can legitimately seek to reach large audiences; (iv) PSB is important in promoting new audiovisual and information services and new technologies; (v) PSB can legitimately be engaged in both public service and non-public service (commercial) activities. But this fails to clarify what the public service remit really means (see especially item ii).

The *Communication* adopts the same approach. It recognises that a “wide” definition, entrusting a given broadcaster with the task of providing balanced and varied programming in accordance with the remit, may be considered legitimate and that public service duties may be either quantitative or qualitative or both. It also states that “Member States may consider *the whole programming of the broadcasters as covered by the public service remit*” (European Commission, 2001a: 10) [emphasis added – K.J.]. Although it further accepts the premise that PSB broadcasters may be engaged in both public

service and non-public service activities and points to the need for a clear and appropriate separation between them, it fails to offer sufficiently precise criteria by which to do that.

To leave no doubt at all as to what is meant by this, the Commission has stated that “*no objections will be raised as to the nature of the programmes included in the public remit*”. The definition of the public service remit, however, could not extend to activities that could not be *reasonably* considered to meet (in the wording of the Protocol) the “democratic, social and cultural needs of each society” (European Commission, 2001b) [emphases added – K.J.].

Elsewhere, it added that “As regards the definition of the public service in the broadcasting sector, the role of the Commission is limited to checking for manifest error” (European Commission, 2001a: 9). If called upon (e.g. by another complaint filed against a member state), the Commission, as it has announced, would ask with respect to the following three conditions (European Commission, 2001b):

1. The establishment of a clear and precise definition of public service in broadcasting (*whatever its content*) [emphasis added – K.J.];
2. The formal entrustment of the public service mission to one or more undertakings by means of an official act [...];
3. The limitation of public funding to what is necessary for the fulfilment of the public service mission (proportionality).

In light of this discussion it should be abundantly clear that the EU approach offers no solution to our dilemma, but rather represents a further complication<sup>13</sup> in developing an accountability system for public service broadcasting. One could even say it is irrelevant from this point of view because the goal is actually to solve a particularly troublesome problem involved in protecting competition and the operation of the internal market. The fact that this concerns PSB is merely coincidental. Each member state may define and organise the public service remit differently, and thereby create a different accountability system for its PSB broadcasters.

### Disaggregate public service broadcasting

Thus, no universally accepted definition of PSB has been – or indeed can be – developed because no clear-cut and homogeneous set of criteria can be applied. This is an inescapable conclusion given that it comprises such a wide variety of different activities.

Meanwhile, politically-motivated decisions are being taken under pressure from commercial broadcasters, interested in marginalizing PSB and

weakening it as a market competitor. They seek to impose accountability systems based on some combination of "attrition" and "monastery" models<sup>14</sup>. If PSB broadcasters are forced to accommodate themselves to such criteria for assessing their performance, contemporary efforts to evolve in ways required by contemporary technological and market trends would obviously be severely hampered.

It's inarguable that the concept of public service broadcasting is urgently in need of modernisation and adjustment in light of contemporary realities (see Jakubowicz, 2002). Concepts originating from the time of broadcasting scarcity in national markets are no longer adequate or convincing today in a global broadcasting ecology with changed market and societal conditions. In addition to "classical" core activities dedicated to the public service remit and mixing distinctiveness with the need to maintain audience share, it is likely that large PSB organisations will develop commercial and semi-commercial activities. Some are doing that already (a good example is BBC Worldwide which is aggressively commercial and involved in operating commercial television channels in various parts of the world). So performance assessment criteria and accountability systems will have to be different in each case. The same is true for new forms of content delivery encompassing both thematic channels and online services that are amenable to individualisation and personalised content.

The answer would therefore seem to be that PSB broadcasters themselves should – as they no doubt do – adopt different evaluation criteria for their different activities, and that regulators and state bodies need to accept the principle of different accountability systems tailored to the specific nature of each of these types of activities. Table 2 can only begin to suggest ways of developing such systems.

**Table 2.** Different performance measures for different PSB activities

AREAS	PSB PERFORMANCE MEASURES	
	Core public-service activities	Additional, revenue-generating non-public service activities
Programming	PSB content (genres+quality+diversity)	Market attractiveness
Finances	Cost-effectiveness, productivity	Revenue growth, results, profit, fair trading principles (no cross-subsidies from public funds)
Audience	Audience satisfaction and approval, value of time spent, PSB seen as needed and as providing value for (licence-fee) money	Market share and audience composition suitable for advertising and marketing purposes
Technology	Presence on all significant platforms	Active use of all appropriate platforms to boost profit and market share

Although admittedly crude, this frames a beginning for developing dedicated performance measures and accountability systems for different types of PSB activities. The crucial point is to accept the principle because our discussion makes it crystal clear that the traditional approach can no longer work. So what are the recommended steps for proceeding if the principle is accepted?

PSB organisations, regulatory bodies and the public need first to agree on a model of public service broadcasting to be applied in the particular country, or to clearly define the existing model (and its component parts) if there is agreement that it should continue. The next step is to develop an accountability system corresponding to that model and also able to accommodate expected future developments and change in the PSB system. An "accountability mismatch" – e.g. performance measures or criteria in keeping with the monastery model applied to a semi-commercial model existing in reality, or vice versa – would be counterproductive and destructive for the PSB organisation.

If these steps are taken the commercial broadcasters will have actually rendered an invaluable service in prompting public debate concerning PSB, leading in each country (separately) to some resolution accepted by the majority. PSB exists by the will of parliament and the public. Acceptance of its existence and approval of its performance are vital for its continued operation. That in turn depends on clear recognition of the service required from it. Any progress towards that goal will be a foundation for its continued ability to perform those services.

## Notes

1. A *Discussion paper on the "Television without Frontiers" (TWF) Directive* (12934/02 MH/ms 1) presented at a meeting of the Council of the European Union (Education, Youth and Culture) in Brussels on 11 October 2002, put it this way: "There is reason to suppose that [future] regulatory measures will be less detailed and be characterised by co-regulation and self-regulation rather than traditional TV regulation, among other things because of the difficulties in enforcing the rules. On the other hand, there are strong indications that traditional TV will continue to be the most widely used medium for delivering content in the foreseeable future. This speaks in favour, to a certain extent, of maintaining a distinction between regulation of different audiovisual services, so that the degree of regulation depends on the degree of choice and control of users.
2. They do so in keeping with the spirit of the times: "The core of the contract can remain. The state offers certain privileges to some channels, and *in return* each channel provides something of worth beyond that which the market alone would provide. The BBC is the most privileged ... *In return* the nation has on the whole been well-served." (Jowell, 2002; emphases added. See also Thomas, 1999) Also the French "Loi relative à la liberté de communication", amended in 2000, provides for "contrats d'objectifs et de moyens" to be concluded between the State and each of the PSB institutions.
3. Born (2002) lists a number of those applying to the BBC, including Parliamentary review at Charter renewal, regular review and reports by parliamentary Culture Select Committees, government appointment of Governors; review of licence fee level and therefore budget; approval of new services, e.g. digital ones; Annual Report and Accounts to Parliament; National Broadcasting & Advisory Councils; content oversight by the Broadcast-

- ing Standards Commission; annual external financial audits by KPMG; oversight by Office of Fair Trading; European law on competition issues, etc.),
4. A proposal for such a system was formulated some time ago by National Economic Research Associates (NERA, 1991: 1) which, in a language foreshadowing contemporary usage, suggested that "there may be real advantages in specifying a detailed contract between government (on behalf of viewers) and the public service broadcaster". Among other things, it provided an example of the areas such "service contracts" might cover: minimum amounts of different types of programming (e.g. hours per week of news, current affairs, drama, documentaries, children's programmes); minimum amounts of locally produced programmes; catering for the interests of minority groups; universal signal transmission of a specified quality; prime time scheduling requirements; impartial coverage of news and current affairs; a minimum amount of local and regional programming; language requirements. According to the NERA proposal, contracts might also include: requirements for distribution of budgets between different broad categories of programmes; more detailed specification of the nature and quality of certain important types of programmes (e.g. resources to be devoted to worldwide news coverage); requirement to achieve a certain share of the total viewing audience (perhaps measured as an average over the year).
  5. Of course, even internally-oriented self-regulation can serve as an external accountability instrument (e.g. the CBC rolling corporate plans under such titles as "Our Commitment to Canadians").
  6. Some PSB organizations, like the BBC, do try to establish mechanisms of direct accountability to the audience, but the rhetoric of the instrument used for this purpose, "Statement of Promises", has been described as being of "placatory, placebo" nature, and the whole exercise – as a "simulation of openness" (Born, 2002).
  7. Such as "Develop programming strategies to reach those groups identified above as low users of SBS services, while at the same time maintaining existing audiences"; "Produce and broadcast more programming that originates in Australia and which reflects Australian experiences"; "Foster an environment where creativity is valued and risk-taking is accepted" and "Maintain SBS 's position as the premier provider of diverse, informative and entertaining programming in different languages and from different cultures".
  8. In its comments on the draft Communications Bill, the Independent Television Commission (2002) points out the deficiencies of the proposed system, which could potentially lead to even greater interventionism. In a fast-moving market, it says, the triennial report could be three years (and given that the lead time for programme commissioning is up to two years – even five years) out of date, and may not provide relevant guidance as to the current range and quality of available programmes, let alone lead to any effective remedial action. "The ITC is further concerned that an ineffective triennial review system would create pressures and frustrations which would come to a head around each review. This would put pressure on government to intervene and change the channels' public service remits, creating business uncertainty and an unsatisfactory alternation between self-regulation and government intervention. The ITC believes a more effective but lighter touch regime could be delivered on the basis of OFCOM's Annual Report to Parliament, including a brief high level analysis of the output of public service licensees in the context of the market as a whole".
  9. The UK Independent Review Panel, appointed to consider the future of the BBC, were quite honest about the difficulties of establishing a new definition of PSB: "We have not managed anything so ambitious in the six months we have had at our disposal. When we each tried to define public service broadcasting, some very familiar words started to appear – information, education, extension of horizons, impartiality, independence, universal access, inclusivity, service of minorities, lack of commercial motivation, etc., etc. We decided that we may not be able to offer a tight new definition of public service broadcasting, but we nevertheless each felt that we knew it when we saw it" (*The Future Funding of the BBC ... 1999*: 10). The Panel also added that their goal was to "fund the

- minimum level of BBC output which is needed to maintain a critical mass of public service broadcasting in the changing marketplace”, but that “defining that minimum is no easy task. It is more of an art than a science” (*The Future Funding of the BBC ... 1999*: 9).
10. The “distributed public service model” – if it were to be applied, though this does not seem likely in the foreseeable future – would eliminate the problem of accountability altogether, as there would be no public service broadcasting organizations and commercial broadcasters commissioned to offer PSB content would be bound by obligations clearly defined in a real contract with the authority delegated to administer the system.
  11. It recognised that “the system of public broadcasting in the Member States is directly related to the democratic, social and cultural needs of each society and to the need to preserve media pluralism”, and said that “The provisions of the Treaty establishing the European Community shall be without prejudice to the competence of Member States to provide for the funding of public service broadcasting and insofar as such funding is granted to broadcasting organisations for the fulfilment of the public service remit as conferred, defined and organised by each Member State, and insofar as such funding does not affect trading conditions and competition in the Community to an extent which would be contrary to the common interest, while the realisation of the remit of that public service shall be taken into account”.
  12. It argued that practically nothing but information, educational and cultural programming, as well as programmes with regional scope and/or directed to social and ethnic minorities, should be accepted as a legitimate part of the public service remit in terms of content. Hence, the PSB mission could be expressed in terms of the share of such genres in total transmission time and in quotas of how much of each genre there should be. That approach was echoed in June 2002 by the British Conservative Party’s proposal that a reduced licence fee be retained only for a narrowly-defined public service broadcasting element, excluding most sport, entertainment and drama. See discussion of the “monastery” model of PSB below.
  13. An additional level of complications is created by decisions of the European Court of Justice. In the 2001 *Preussen Elektra* decision, the Court held that “only advantages granted directly or indirectly through State resources are to be considered aid within the meaning of Article 92(1)”. Thus, if public funding available to a public service broadcaster does not come from State resources (e.g. if licence fees are paid directly to the broadcaster), without the intermediary of the A week after the publication of the 2001 *Communication*, the Court handed down a decision in the *Ferring SA* case, in which it holds that only advantages which exceed the necessary cost for ensuring the public service obligation constitute State aid. Thus, many countries where public broadcasters rely on advertising revenue to cover the full cost of operations would be exempt from the principles laid down in the *Communication*, because those broadcasters do not benefit from State aid at all. Therefore, the accountability system created by the Commission would not apply to them at all.
  14. One example of this is provided by a development in Germany. In 2001, ARD announced – in the best “full portfolio” fashion – a strategy to turn the web into a third pillar alongside its traditional radio and television services, so as to be able to serve as an information hub and “trusted guide” for internet surfers. This year, KEF, the organization overseeing the licence fee system, said – in line with the “attrition model” – that public broadcasters should restrict their ambitions in the online sector to support their TV and radio programs and not spend viewer’s money to provide additional services (Stegers, 2002). Clearly, KEF does not believe in the personalized public service model.

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