Communicating Agriculture:  
The Media and Interest Group Politics 
1997-1998 

Allison Oosterman, 

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A thesis submitted to Auckland University of Technology for the Degree of Master of 
Arts in Communication Studies.
Dedication

To the memory of my father

Austin Beart Ranby

Waitoa

Dairy farmer

1902 - 1988
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“I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person nor material which to a substantial extent has been accepted for the award of any other degree or diploma of a university or other institution of higher learning, except where due acknowledgement is made in the acknowledgements.”

Signed:
Declaration

Because of the nature of this thesis I consider it necessary to declare my personal interest in this topic.

Firstly, it should be noted that I have worked on many of the publications mentioned in this thesis. These include the *NZ Herald, Farm Equipment News* and *Food Business*. That means that I have worked for Wilson & Horton, Product Publications, NZ News, Minty’s Media, Liberty Publications, Rural News and Review Publishing.

Secondly, it should be recorded that I am acquainted with both Brian Hight and John Luxton outside their being respectively a rural publisher and a politician. All three of us came from dairy farming families in Waitoa and, in fact, attended the same primary school.

Having declared the foregoing, I hope that despite this, the ensuing thesis is a fair and unbiased representation of the issues under discussion.
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My final acknowledgement goes to my late father who was really the inspiration for this thesis. He and I shared a love of the land and Jersey cows in particular and I
know he would be very proud of his daughter for trying to bring to general notice the contribution dairy farmers make to New Zealand.
Abstract

This thesis applies a pluralist theoretical approach to an analysis of the relationship between the media and a selected economic interest group. The study endeavours to discover the extent to which the pluralist model applies to the relationship between the media, interest groups and the state during a time of uncertainty about the future structure of the dairy industry. In the course of the thesis the most relevant features of pluralism are examined and then applied to the topic. It may be that as a result of the analysis, an alternate reading to pluralism is required.

The notion that the media's activities are essential for the operation of a pluralist democracy is discussed focusing on the media’s key role in the operation of interest group activity, in the relationships between other interest groups and between government and the public at large. Looking at the New Zealand situation, factors that may have affected the ability of the media to carry out their role are examined.

For the purposes of this study the pluralist model is applied to the relationship between the interest groups, the state and the media during the debate in 1998 over the future structure of the dairy industry. The role of the mass media of television, newspapers and radio as well as the specialist farming press is examined. An assessment is made as to the extent to which these media organisations impacted on the policymaking process. Research should indicate whether the posited Governor Model of Pluralism actually worked in this instance. From information gleaned from this case study some general conclusions about the role of the media and interest groups in policy making in New Zealand are offered.
Introduction

Much has been written about the role and influence of the media in society and in a democracy. A good deal of this academic writing has focussed on media effects or questioned the relative power and influence the media has on election processes. Very little research seems to have been conducted on the role of the media in interest group politics. New Zealand political scientist Richard Mulgan concurs.

The network of consultation is largely undescribed and unanalysed in New Zealand, but provides the key to understanding the distribution of power in the country (Mulgan 1989 p 106).

There is an absence of case studies where a political controversy has been examined for the interaction and relationships of the media to the interest groups involved and to the state actors. Jay Blumler recommended this approach in a chapter in Public Communication - The New Imperatives - Future Directions for Media Research.

More case studies are needed of what may be termed 'the politics of news making', - taking some area of controversy and examining the efforts, influences, relationships and norms that have shaped its media appearance, public reception and legislative or policy outcomes (Blumler 1990 p 111).

This thesis will attempt just that. The particular controversy that has been chosen is one involving one of the most significant industries in New Zealand – the dairy industry and moves by the government in 1998 towards removing its statutory backing. The debate over producer board reform has been extremely long running but came to a head in the 1998 May Budget when the Treasurer signalled the inevitable removal of producer boards’ enabling legislation. The focus of this thesis will be on the coverage given to this debate by all sections of the news media within a defined timeframe. This research will break new ground, to use an appropriate rural metaphor. Besides little being published specifically on the media and interest group politics in
New Zealand there has certainly been little on the media coverage of a specific agricultural policy – from its formulation to its subsequent implementation and evaluation.

**A Model for Study**

The theoretical starting point is that of political pluralism, which is based on what public policy scholars, Michael Howlett and M. Ramesh call the “assumption of the primacy of interest groups in the political process” (Howlett and Ramesh 1995 p 33). Several academics believe that this theory successfully applies to New Zealand, in particular Mulgan, who sees this country as a “moderately” pluralist democracy (Mulgan 1989 p 40). He built on an earlier New Zealand tradition of scholarship in this field by such writers as Austin Mitchell and Les Cleveland. There are also a large number of researchers particularly in America and Britain, who have endowed the tradition with a rich legacy of theory. According to some commentators, notably Avigail Eisenberg, the study of pluralism generally has occurred in three, even four waves (Eisenberg 1995 p 5-6). The New Zealand scholars, Mitchell and Cleveland began writing using this framework around the 1960s (Mitchell 1969) and ‘70s (Cleveland 1972) during what Eisenberg would have classed as the fourth wave.

They noted New Zealanders traditional love of joining groups. In truth we are similar to Americans who David Ryden has typified as “a nation of joiners” (Ryden 1996 p 6). The groups can encompass everything from the local football club, to all types of community organisations, leisure or recreational associations, occupational, professional or single-issue groups. Research in the ‘60s numbered groups in New Zealand in the thousands rather than in the hundreds.

Indeed proliferation may have gone further in New Zealand than in most other advanced countries if the calculation is made on the basis of the ratio to the total population (Mitchell 1969 p 38).
Little contemporary research on membership of groups is available in New Zealand except from the Hillary Commission and that only concerns sporting bodies.

Social scientists are engaged in a lively argument about whether decreasing proportions of Americans over the past several decades have been joining secondary associations. It would appear from Robert Putman’s (Putman 1995) research in the US that there has been a decline there in group participation but his findings are subject to debate, for example by Everett Ladd. (Ladd 1998). Whether there has been a decline in New Zealand in participation in interest groups it is not possible to discover and it does point to the need for new research in this field. A recent consultative process involving a change in the policy of the drinking age attracted 2000 submissions which would lead one to believe that the interest group lobbies are still active.

A New Zealand Perspective

Since the 1970s the most notable contributor to pluralist theory in New Zealand has been Richard Mulgan writing in the ‘80s and ‘90s. The latest New Zealand contribution is a chapter by Victoria University political theorist, Pat Moloney in New Zealand Politics in Transition (Moloney 1997 p 317-327). Pluralism in New Zealand took a severe knock after 1984 with the advent of the Fourth Labour Government and the Roger Douglas-inspired round of economic transformations. He consciously set about circumventing input by interest groups claiming that if the reforms didn’t go ahead in quantum leaps the groups would have time to “mobilise” and “drag down” the process (Douglas 1993). He shook the entrenched expectation that relevant interest groups had a right to be consulted on policies that might affect them. He further tarnished the image of interest group politics by constantly referring to them as “vested interests seeking to preserve past privileges” (Douglas 1993) and without any public good intent. That was reserved alone for the Fourth Labour Government. Douglas was buttressed in his views on interest groups by the Business Roundtable which likewise
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painted itself as the protector of the public good against the vested self interests of farmers, unions and any other antagonists to New Right policies. Some interest groups have been damaged forever by the conscious and concerted refusal by the government to consult with them on policy proposals affecting them. The depleted union movement is a good example here, although with the change of government in 1999 things may improve for groups such as the unions. Interest groups may now begin to recover some of their legitimacy as partners in the policymaking process. However, despite some signs that the assault on or disregard of interest groups has abated the previous National government often adhered to the same desire to hurry legislative changes through without consultation. This has particular relevance for this case study and for the pluralist model posited.

While pluralism has accumulated a vast body of theory it has not been without its detractors and there has been a vigorous body of criticism. The strongest critics have come from the Marxist camp and their critique has largely focussed on pluralism’s conservatism and idealism\(^1\). The main criticisms will be addressed in the chapter on pluralism.

**The Media and Pluralism**

Having situated the thesis within a particular political tradition, it is then necessary to consider the role of the media within this tradition\(^2\). It is here that the researcher discovers a fairly barren field of scholarly endeavour. Few pluralists have devoted much energy or attention to the role of the media within a pluralist democracy. As stated previously, any research that has been done has mainly focussed on media effects or on election campaigns and not on the role of the media in the policymaking processes that are part and parcel of interest group politics.

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\(^1\) For a brief overview of Marxist theories of the state, read Martin Smith's *Pressure Power & Policy*, pp 37-46.
It is the contention of this thesis that it is impossible to consider pluralism and democracy without considering the media. Indeed a theory has been developed here to take account of this - the Governor Model of pluralism. The media is an essential element in the democratic triumvirate of interest groups, the state and the media. Without a consideration of the role of the media within pluralism, that theory can only ever be incomplete. Through a case study of one interest group involved in a particular political controversy last year it should be demonstrated whether the media does act as a countervailing force to both the state and to the interest groups in this instance. Pluralist theory postulates that the media is independent and separate from both interest groups and the state. As in the pluralist tradition, however, it is also recognised that like the other two groupings, the media can have its own interests and can and does compete with other branches of the media. Like the state and interest groups its effectiveness is also dependent on its resources, organisation and personnel. The media is not a branch of government. It is not a political institution. It is an independent actor, it is argued, contrary to the Marxist view, – an actor with the potential to wield influence to a greater or lesser degree within a pluralist society as any other actor is. This influence is largely dependent on the relative strength of the other parties to this triumvirate and demonstrates that while the media may act as a countervailing force on either the interest groups or the state, those two can act independently or together as countervailing forces to the media.

The Media and Policymaking

There are two strands to a theoretical appreciation of the role of the media. The first strand is a consideration of the general role of the media in society or a pluralist democracy and the second is the particular role the media plays in the decision or
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policymaking process. There is considerable scholarship on the role of media in society, a little less on the role of media and politics, even less on the role of media and interest group politics and scarcely anything on the role of the media in the making of specific policies. This thesis is an attempt to redress the balance and offer something concrete in a New Zealand context at least.

Julio Borquez, in Robert Spitzer's book, Media and Public Policy has noted that studies of the influence of the media in the policy process have been relatively scarce, as have been theories on the media-policy link (Borquez 1993 from p 31). Depending on which policymaking theory one follows the impact and influence of the media varies accordingly. Some, like John Kingdon, claim that the media has very little influence in the policymaking process (Kingdon 1984) others, such as Noam Chomsky state that its influence is pivotal, (Herman and Chomsky 1994). It raises many questions about the role of journalists – whether they are watchdogs, lapdogs or Bartholomew Sparrow's "uncertain guardians" (Sparrow 1999) on behalf of the general populace. These issues will be thoroughly explored within the framework of the chosen policy issue.

The New Zealand Media

New Zealand academics have been very critical of the role of the media in New Zealand politics subscribing largely to the “lapdog” view. Auckland University political scientist, Andrew Sharp, for example, saw the media as being seduced by Treasury, think tanks and big business and, after 1994, “enthralled by government news sources” (Sharp 1994 p 3). Sharp's colleague, Joe Atkinson believes the New Zealand media is “heavily dependent upon and largely subservient to the state” (Atkinson 1994 p 146). Auckland legal academic, Jane Kelsey has depicted the media as “compliant”, even as “sycophantic propagandists for Rogernomics” up until the stockmarket crash of 1987 after which the euphoria wore off leading to a more “cautious” media scrutiny (Kelsey 1995 p34-35). A major aim of this study is to test whether these views are still
applicable and whether the media, like the interest groups, has recovered some or any of its legitimacy as a significant independent actor in our pluralist society.

**Agricultural Interest Groups and the State**

Amongst the most powerful of all interest groups in New Zealand have been those related to our dominant business – agriculture. The agricultural interest groups have traditionally formed a significant policymaking community in New Zealand. This thesis identifies a highly contentious agricultural policy proposed early in 1998 – the announcement that all producer boards should prepare proposals for deregulation, and then examines the role taken by interest groups, the state and the media in the ensuing debate. What was attractive about this topic was the apparent unexpectedness of Treasurer, Winston Peters’ announcement in the May 1998 Budget that producer boards should begin preparing for deregulation (Peters 1998). The subsequent outcry by all concerned from farmers and growers through to the boards themselves, various politicians and commentators was reported to varying degrees by both mass and specialist media. In this climate of conflict the media revelled.

Exploration beneath the surface discovers that the issues involved in this particular policy were not quite as straightforward as first imagined. The producer boards' controversy turned out to be an excellent arena in which to look at whether the pluralist model still worked and whether the role of the media supported or detracted from the model. This thesis will be able to examine only part of the policy cycle, from agenda setting and policy formulation and on to the decision making process and the part played by the media throughout this part of the cycle.

The continued existence of the agricultural producer boards has been a key debate within the agricultural community for many years but few governments until 1998 has been prepared to make any concerted attempt to dismantle their statutory status. Traditionally farmers and growers have represented one of the most powerful
interest groups in the country whether through Federated Farmers or the respective producer boards and normally governments tended to work with them. Even the dismantling of farm subsidies by the fourth Labour government after 1984 had been executed largely with the support of farmers.

Together farmers, be they cattle, sheep or dairy farmers, and growers contribute close to 60% of the country’s overseas earnings. Dairy farmers alone are currently earning 23% of the country's export receipts. More than 90% per cent of milk is exported, and the single seller marketer, the New Zealand Dairy Board, controls this export (Spring 1998). It is a $7.4 billion business. The board is owned by the co-operative dairy companies, which are in turn owned by the country’s dairy farmers. As major earners for the New Zealand economy it would be expected that dairy farmers, as represented by the co-operatives and the Dairy Board, would be very influential when it came to government policymaking in their field.

While it can be argued that what happens to the nation’s milk production is of interest to those who produce it; it can also be argued that it is also of national interest. While New Zealand is still so dependent on its agricultural exports, in particular milk, what happens politically in the agricultural arena is also of national importance. Changes in agricultural policy will not only affect farmers it will affect all New Zealanders for better or worse. In light of this, the focus turns to 1998 and the Coalition government’s decision to announce in the May Budget the “inevitable” deregulation of the producer boards and the request that producer boards prepare proposals for deregulation by November 15. It is the intention to examine in depth the reaction to this announcement and the subsequent media coverage throughout 1998.

The Scope and Methods of the Research

The scope of the research is limited to the interactions between the media and just one of the producer boards involved in the 1998 deregulation debate. While the
focus is on the dairy industry and the Dairy Board, it is important to remember that the other producer boards were affected by the Budget decision and there was media coverage of the reaction of these other boards and their members to the government’s announcement. The thesis will not attempt an in depth consideration of the history of agricultural interest group politics in New Zealand. Only matters considered relevant to the current Dairy Board deregulation debate and the ensuing media coverage will be examined. At the time of writing this thesis the issue was still unresolved.

The research methods used will follow three broad paths. The first will be a brief exposition of pluralism and the role of the media in relation to interest group politics and will be largely accomplished through a literature review. The second method will use content analysis of media reports over a defined period to illustrate significant or salient features relating to the topic. Coverage by television, radio and the metropolitan and regional press will be examined as will the coverage of the specialist dairying press and the national farming publications. The third method will use in depth interviews with relevant individuals within the Dairy Board, agricultural and general journalists, farming leaders, government officials and elected members of parliament.

The thesis is divided into seven chapters as follows: In chapter one the major tenets of pluralism are examined and set within a New Zealand context. Germinal theorists, both local and international will be reviewed, in particular the views of Richard Mulgan who has posited New Zealand as a “moderately” pluralist society. Chapter two reviews the current literature pertaining to the role of the media in politics and interest group politics, in particular. The theory is less comprehensive in this area so there will be an attempt to synthesise opinions on what the role of the media is in a pluralist society such as New Zealand. Out of this has come a new theory - the Governor Model of pluralism.
The next three chapters take a close-up look at the three elements of the Governor Model - the media, the interest groups and the state. Chapter three considers who communicates agriculture in New Zealand - the publications, the broadcasters and the journalists involved along with the relevant media organisations. Chapter four examines the interest groups involved in agriculture in New Zealand. These encompass all groups associated with the dairy industry as well as such general business organisations as the Business Roundtable. Chapter five turns to the role of the state and its agricultural policymaking of late 1997 to early 1998. The various state bodies and their interactions with interest groups and the media are studied. A theatrical analogy is drawn and participants cast as actors or players in the first act of a three-part drama.

The final chapters focus exclusively on the media. Chapter six interprets the role of the media in the 1998 policymaking, again using the theatrical analogy, and with a focus on why agriculture suddenly appeared to become news. Chapter seven extracts from a wide variety of sources, three months of media coverage of the dairy deregulation debate and considers it in detail. It is here that many of the questions concerning the quality of media coverage are answered.

The conclusion summarises the insights gained both from the theoretical literature and from the original research. The topic is again surveyed in the light of the research and the state of the media in our pluralist democracy analysed and re-evaluated. At the same time the Governor Model is always born in mind and a judgement will be made as to whether, in this instance, the model is in balance, wobbling or seriously out of kilter.

Finally, the goals of the research are re-examined and assessed and any problems or conflicts, practical or theoretical, which were encountered, are enumerated and possible directions for future work highlighted.
Endnotes


Chapter One

Pluralism and the New Zealand Experience

Introduction

Pluralism as a general theory of society has been depicted by its critics as conservative, utopian, “relatively unsophisticated” (Moloney 1997 p 324) and the contemporary version as a “narrow caricature” of itself (Eisenberg 1995 p 12). For all its supposed failings, however, it has proven to be surprisingly durable and adaptable. Eisenberg claims that despite being misunderstood, the theory is well worth retrieving. In fact, many former communist East European countries are now setting about establishing pluralist states.

In this study of the relationship between the media and interest groups in a specific example of agricultural policymaking, it seemed useful to choose a model of society that seemed to best suit the type of study being undertaken. Political pluralism appeared an appropriate choice as it encompasses theories that seek to:

organise and conceptualise political phenomena on the basis of the plurality of groups to which individuals belong and by which individuals seek to advance and…to develop, their interests (Eisenberg 1995 p 2).

Pluralism is one of several general theories of society and it tacitly accepts the basic norms of the dominant liberal-democratic theory. (Moloney 1997 p 317)

What distinguishes the pluralist perspective is not a belief that liberal democracy offers perfect freedom and equality so much as a conviction that no other form of regime offers anything better (Mulgan 1997 p 19).

According to Martin Smith there is no single pluralist theory (Smith 1990 p 302-322). However, this thesis will offer a modern version that takes account of the many
strands of pluralism that have been conceptualised mainly during this century and in particular after World War II. A model of pluralism will be proposed which is an amalgam of those earlier theories but enhanced and enriched to include the crucial role that the media now plays within the model.

As Mulgan admits, there are problems inherent with choosing a model upon which to base an argument (Mulgan 1989 p 38). It is selective and will emphasise certain elements and downplay others. But it does provide a starting point and an appropriate framework within which to conduct this particular study. This first chapter will explain the main tenets of political pluralism and prepare the ground for the discussion to follow. It will in no way be an in-depth survey of pluralism as this is not the main concern of this thesis.

There have been many proponents of pluralism, some who would not recognise themselves as pluralists, and many permutations of the theory from the so-called classic version to reformed pluralism (Smith 1990) and neo-pluralism. The theory has an honourable history with its flowering noted particularly in the US (and New Zealand) during the 1960s and 1970s. While theorists in other countries have subscribed to the pluralist theory, such as in the UK, the largest number of adherents has been in the US. In the US textbooks much is made of the seminal thinking on the topic by James Madison, Alexis de Tocqueville and later by theorists Robert Dahl (Dahl 1956), Arthur Bentley, Martin Smith (Smith 1993), David Truman, Charles Lindblom, Nelson Polsby (Polsby 1969) and others. In New Zealand Austin Mitchell (Mitchell 1969), Les Cleveland (Cleveland 1972), Richard Mulgan (Mulgan 1989; Mulgan 1993; Mulgan 1997; Mulgan 1999) and Pat Moloney (Moloney 1997), are amongst the New Zealand theorists who have applied pluralism. All have added viewpoints and definitions, which have resulted in the sum of what shall be called, in this thesis, contemporary pluralism.
As noted, there are several variations of the theory, and, reminiscent of Jurgen Habermas' ideal of the public sphere (Habermas 1989), it is often easier to find pluralism described and thus defined by its critics rather than its advocates (Jordan 1990 p 286-301).

**Key Elements of Pluralism**

What, then, are the major tenets of contemporary pluralism? It is the basic contention of pluralists that individuals in society tend to gather together in groups (Mulgan 1989 p 9). This idea of groups is central to an understanding of the concept of pluralism. People, by living in society, cannot avoid belonging to a group of some description. Often they belong to several. A necessary condition for the formation of groups is, of course, one of the fundamental tenets of a liberal democracy – freedom of association. Society, then, consists of a plurality of different groups, which have different interests and values (Mulgan 1989 p 9).

Individuals within society remain the owners of their preferences and the best judges of their interest, says Moloney, and this "despite media manipulations" (Moloney 1997 p 324). While it might, and has been said that interest groups are primarily and narrowly self-interested, pluralists contend that groups are open to consideration of community or the public interest above their sectional interests (Mulgan 1997 p 12). It could be argued that the three elements, which make up the triumvirate of what will later be described as the Governor Model of pluralism – groups, state and media – could be more or less self-interested or more or less swayed by the public interest. Classic pluralists expected the state to act totally in the public interest. Rather more pragmatic modern day pluralists acknowledge that on occasions the state can be self-interested, just as they recognise that groups can act in the public interest. It is the contention here that the media can also be governed by self-interest, despite the traditional belief that it act as the disinterested watchdog of the public interest.
Inevitably where there are a large number of diverse organisations, tensions and conflicts can arise between them. But for pluralists, because individuals are members of more than one organisation and therefore have competing allegiances, tension is eased as members strive to attain consensus. According to Mitchell, these pressures on allegiances ease tension by reducing the intensity of the opinions of those individuals who feel the divided loyalties. “A society of such diverse loyalties is a harmonious one” (Mitchell 1969 p 39). So pluralists place a premium on the resolution of conflict and the attainment of consensus achieved largely because of the overlapping membership of these societal groups.

By belonging to a group an individual is both pursuing his or her own personal interests and growth but also potentially in a position to be able to pursue political power as well (Eisenberg 1995 p 3). It is this latter theme that political pluralism traditionally addresses and where the term “pressure” group tends to arise. If competition between groups gives rise to conflict then it implies pressure being brought to bear and political activity being generated by the interaction of these different groups with each other and with the state. Competing interest groups represent their interests to government and seek to have their voice heard in, and to influence, decision-making on matters of concern to their particular group. Pluralism, therefore, is government by the people through competing groups. Mulgan saw this interest group system as a channel of democratic power alongside those of parliament and the election process (Mulgan 1989 p102).

This now raises the question of whether to call these groups ‘interest groups’ or “pressure groups”. Mulgan is inclined to dismiss both terms. “Neither ‘interest group’ nor ‘pressure group’ is an entirely appropriate term,” he said. The latter, because it
carries connotations of not only direct confrontation but also “undue or illegitimate influence” and the former, because it:

may suggest a concentration on the immediate interests of the members of the groups and may appear to exclude other, less self-interested groups, concerned about a wider cause or public issue (Mulgan 1989 p 104).

He does, in the end, use the former term. Mitchell saw ‘pressure group’ as an emotional term. “Each group would see itself as altruistic though admitting pressure group as an accurate description of its competitors” (Mitchell 1969 p 33). Cleveland tended to use the term ‘pressure group’ (Cleveland 1972 p 4) and even today it is still the term of choice for some pluralists (Gold 1985; Abbey 1987; Gurevitch, Bennett et al. 1988; Smith 1993). Mitchell saw ‘interest group’ as an equally fair description since “it emphasises not so much self interest as the fact that each group represents a common interest. This is after all its raison d’être” (Mitchell 1969). In this thesis the term ‘interest group’ will be used, following Mitchell and Mulgan, to emphasise that “consultation with interested parties is politically legitimate” (Mulgan 1989).

Another central tenet of political pluralism is that while there may be many and diverse groups in society at different times attempting to influence government decision-makers in their favour no one group dominates the process. All groups, ideally, have open and equal access to government through fair competition. It is acknowledged, however, that not all interests are equally influential. Some groups may have more resources, better leadership, closer relationships with government institutions, similar ideologies to the current party in power, (Boston, Levine et al. 1996) or other advantages over competing groups in a particular policy area. Modern pluralists now accept that business interests can have particular advantages in interest group politics because of their importance in national economies. However, it is still the contention that whatever advantages some groups may seem to have, they do not win all the time
on every issue that they might be lobbying for. There are countervailing forces that often preclude their continuing dominance of decision-making. We will return to that concept of countervailing forces, later in this chapter.

This discussion of equality of access leads on to the issue of power and where it might reside within a pluralist system. Ideally, no group or section has all the influence. There is no single key to political power. Nelson Polsby elaborated. “The first and perhaps most basic presupposition of the pluralist approach is that nothing categorical can be assumed about power in any community” (Polsby 1969 p 31). In a pluralist society, said Robert Dahl, power is shared and not monopolised by elites (Dahl 1956). Authority is divided and power is distributed amongst many groups. Pluralists assume power is dispersed and that there is more than one source of political influence (Mulgan 1993 p132). The interest group system helps to share political power among the people (Mulgan 1989 p 106). Pluralists, said Mulgan would look at a society made of a multitude of groups and seek to determine whether these groups were equal or unequal in power and whether one group systematically exploited others (Mulgan 1993).

The pluralist method is therefore, an empirical one, of identifying whose preferences prevailed in concrete decision-making processes. Pluralists hold that power can be tied to issues and issues can be transient or long running, stimulating coalitions among interested groups and citizens ranging in their duration from momentary to semi-permanent (Polsby 1969 p33). Pluralists look at the exercise of power – and find there are a great many different kinds of resources which can be utilised in the process of community decision making and resources are employed with varying degrees of skill. As Eisenberg points out, who controls the agenda and who determines the priority of issues, often wields the power (Eisenberg 1995 p 56). Pluralists in their empirical research would expect to find many centres of power, so many have the chance to influence the decision making process. Where one group may win an argument it will
not do so over the whole range of issues. Power and influence depend on many attributes – the level of resources, the social standing of the group, its level of organisation, the abilities of the leaders, size, legitimacy and the structure of its decision-making process. While pluralists might expect, or hope, to find that power is equally dispersed, in practice they acknowledge that currently it is not (Mulgan 1993 p 132). The power of capital and business appears disproportionately influential, especially in the making of economic policy. It would seem that those with the greater resources tend to be more effective than those with less and this has great significance for the legitimacy of pluralism as an acceptable theory within a late 20th century democracy. As Mulgan highlighted:

the evidence of the role of economic inequality in producing political inequality and the pivotal role played by capital investors influencing government policy clearly means that the pluralist ideal of equality for different interests is not achievable in a society based on a market economy.

In considering the essential elements of pluralism an overarching consideration is that of equality. Ideally, all interests would be equally effective politically in a pluralist democracy. All would have open and equal access to the “levers of political power”. The guiding principle for the model is that “all citizens are to have an equal share in determining the political decisions in which they have a legitimate interest” (Mulgan 1997 p 40).

In classic pluralism the response of the state to the pressures or influences from the various interest groups in society was seen to be one of arbitration - the neutral referee being the most popular metaphor. The state, in other words, stands above the hurly burly of competing interest groups and mediates or arbitrates decisions. In the ideal pluralist democracy, policies will be initiated from below and move upwards to the state, they are open to fair and equal input from all and then cast into legislation. On the other hand, if the state initiates a policy it will seek the consent of groups by involving
them in the decision-making process. Equal attention will be given to all groups in proportion to their size and the degree to which they are affected (Mulgan 1989).

As indicated earlier, ideally the various institutions of the state respond to inputs from the various sections of society - the interest groups. Particular areas of government policymaking will involve particular groups who will be consulted to a greater or lesser extent on a continuous series of issues. Modern pluralists, however, have now rejected this idealistic notion of the neutral state. The state is not “a passive cipher, responding only to pressure from sectional interests” (Mulgan 1997 p 209). The state is capable of independent action. It has its own interests and objectives, which it exerts against those of the rest of society. It is accepted that the state is “a collection of different institutions and groups many of them with different, competing interests.” The government does not always act merely as an arbiter of interest group negotiation. “It is sometimes involved itself as one of the interested parties with its own preferred policy which it wishes to see implemented” (Mulgan 1989 p 116).

The most important of these competing groups within the state are the political parties and the bureaucracy. Depending on the version of political representation in a democracy there could be anything from two to a dozen different political parties seeking to have their voice heard in the political process. It is not only outside interest groups that might be trying to catch the ear of decision-makers, it could be different departments competing against each other for their views to be heard. Who is finally heard within the state often rests on the same factors that determine whether outside interest groups prevail – resources, personnel, organisation, status, size. At times the non-governmental bodies can carry more weight than the departments (or political parties) in this process simply because they have more political power or "can produce more embarrassment if thwarted "(Mitchell 1969 p 50). It is now acknowledged by pluralist theorists that the state may wish to exert influence for its own particular
interests but it is also maintained by some of them that because the interest group system is noticeably biased, the government needs to act as the champion of those whose interests have been overlooked or ignored.

Pluralists, concerned with the perceived inequalities inherent in their theory, have proposed the concept of countervailing forces against powerful interests. They point to significant constraints on both interest group and state actors. For the state, one of the most significant constraints is that imposed by the demands of the national economy. Furthermore, the international or global market now also exercises considerable influence on the state’s actions. The state is also vulnerable to criticism and influence from a range of interests not the least being the electorate in election year. But generally the state must be conscious of public opinion because if its policies stray too far from it, it could face damaging publicity, censure and loss of power. Closer to home, the incumbent government must retain the support of the party and its members unless it wants to face embarrassing defeats in the debating chamber.

Like the state, interest groups also face significant constraints on their actions, apart from the obvious ones already outlined. With a multiplicity of groups, opposing ones check each other. As stated earlier, the fact of overlapping group memberships means there are more attempts at reaching consensus. And, as Cleveland pointed out, groups’ criticisms of government policies and administrative actions can aid the news media in their task of keeping an additional check on the power of government by acting as a watchdog of what they conceive to be the public interest (Cleveland 1972).

Despite having highlighted the perceived disproportionate power of business groups, pluralists still contend that their influence and power can be counteracted. They do not always get their way. There may not always be a single or united capitalist or business interest (Mulgan 1993). There are well known differences between different types of economic sectors, for example, between farmers and manufacturers. Business
groups may have internal problems and have no clear idea of what their goals are. The business groups may be few in number or may fail to agree amongst themselves on important issues. They may only become involved in interest group activity when the issue directly affects their particular business interest.

A further countervailing force on the actions of both the state and the interest groups is the scrutiny of the media. Ideally, as the third and equally significant partner in the pluralist triumvirate, the media is also able to act as a counter to the actions of both the state and the interest groups. The role of the media within pluralism will be examined in more depth in the following chapter. But suffice to say that as the media may act as a countervailing force to balance the decisions and actions of the state and the groups, it too is subject to a similar scrutiny by those selfsame entities.

An important group of actors within the interest group system but which does not fall directly within the realm of any member of the triumvirate, is that of academics, so-called experts, consultants and members of think tanks. Increasingly, some academics have become linked directly to certain interest groups and the state and may be consulted by them at any stage in the policymaking process. A notable example of this has been the Business Roundtable, which has commissioned academics both from within and without New Zealand to examine and produce reports on various aspects of the economy and society. In the case study examined here, Dennis Hussey and David Trebeck of ACIL Australia and Dr Frank Scrimgeour of Waikato University are three such academics used by the Business Roundtable to bolster its arguments. The state too has engaged outside consultants to advise it on aspects of policymaking. This commissioning of academics by state and interest groups has caused problems for the media, by draining the already small pool of academics able to offer independent comment. This will be elaborated on in later chapters.
Various typologies of interest groups have been suggested, and it is clear that in a modern democracy there are many different types of groups to which a citizen might belong. These range from occupational and professional groups to ethnic, feminist, leisure, recreational, sport, social and issue groups. Some may be organised on national lines and some may be extremely localised. Pluralists also acknowledge that groups can be latent (Cleveland 1972; Howlett and Ramesh 1995 p 33; Moloney 1997 p 320), in that while they may not currently exist, there is a potential for a group to form, usually around a particular issue. These may form and then die away once the issue has been resolved or they may continue and become part of the accepted interest group fabric. Each group will have its own membership rules, methods of organisation and funding and accepted methods of influence. Interest groups vary in size, resources, levels of expertise, and have varying levels of access to policy makers in government.

**Corporatism**

In New Zealand some groups gain their authority or legitimacy through government statute which determines their powers and membership. This special privileged relationship with the state has been called corporatism, (Jordan 1990 p 296) and is seen by some theorists as a particular branch of pluralism (Mulgan 1997 p 212). Other theorists have viewed this as an example where the ideals of pluralism are flouted. With corporatism power lies with organised interest groups rather than with elected political leaders or public servants (Mulgan 1997 p 104). Public policy is therefore decided by officially sanctioned interest groups, which have a monopoly of authority within their own sector. Traditionally the agricultural sector has had very close institutional links with the government, not only through Federated Farmers but also through the statutorily established producer boards, of which the New Zealand Dairy Board is the most notable and influential. Another description of this sort of closed policy loop is that of an “iron triangle”. If groups are entitled to equal access to
decision-makers, this sort of privileged access is seen as anti pluralist. Within the farming sector much use has been made of statutory boards as a means of incorporating the views of representative interest groups into the making and administering of public policy (Mulgan 1997 p 110). However, the boards were not originally set up for that purpose. Their main task has generally been marketing - dairy products, in the case of the Dairy Board. Statutory bodies operate under legislation or regulation, which determines their sphere of competence and specifies their membership. Their status is cemented through the formalisation of their participation in the policymaking process.

Mulgan does not believe that interest group activity in New Zealand is wholly corporatist in nature (Mulgan 1997 p105). He notes the move away since 1984 from formal corporatist consultation of interest groups and an increase in informal influence of private interest groups, especially in the business sector. To be truly corporatist, the state would have to confer authority on sectional organisations by recognising them as the sole legitimate representatives of their respective interests. Thus the Dairy Board, for example, competes with the individual dairy companies as well as with dairy farmers organised through Federated Farmers in the sector group, Dairy Farmers of New Zealand, as well as other non-farming groups, such as the Business Roundtable, for the ear of government on agricultural policy.

**Seeking Influence**

Interest groups have a variety of tools and methods by which they can attempt to gain influence in the decision making process. They can lobby and make representations to the state through the use of press releases or personal approaches to Ministers or MPs or they can seek to influence policy by membership of committees, quangos, advisory groups and so on. Within the policymaking process interest groups can make submissions at parliamentary select committee hearings or at hearings conducted by relevant state institutions, for example, the Commerce Commission. Another avenue for
exerting influence is through the use of the media to convey their message. In some cases the support of the media is crucial to an interest group. “Without news media support some pressure groups may languish and perish while others may experience such fatal difficulties in recruiting sufficient public support for the policies they advocate that they can scarcely achieve significance as anything but historical curiosities” (Cleveland 1972 p 113).

Lack of financial resources remains a problem for many interest groups and they may be reduced to generating news in order to draw attention to their existence and their viewpoints. They must play the media game by staging promotional stunts, protest marches, sit ins etc – in other words, create “noise”. Mitchell says groups appeal to public for three reasons – to build a favourable image; educate the public; or as a court of appeal when all else fails (Mitchell 1969 p 45). Mitchell believed that a good deal of public conflict was counter-productive.

Groups indulge in it more than they need to. They do so for a number of reasons peculiar to New Zealand. One is that the New Zealand political system places a premium on noise. (Mitchell 1969).

In his opinion, “on a calculation which is more rational than personal pleasure and notoriety, both public controversy and the appeal to public opinion should in practice be rare” (Mitchell 1969).

It would seem consistent, that if interest groups feel unable to get their voice heard by the state, they would turn to what ever other means were at their disposal to attract attention. The media is an obvious resource for attempting to gain public support for policies.

Pressure groups try to use the press and the other news media as a source of public support for policies, to demonstrate to members that they are active and to suggest to their public targets that they are influential and worth taking seriously (Cleveland 1972 p 115).
Cleveland believed that groups were attracted to the publicity process by the nature of the New Zealand press. In his book, *The Anatomy of Influence: Pressure Groups & Politics in New Zealand* published in 1972, he criticised the New Zealand press as:

>a machine which accepts news rather than hunting it out and hence one ready to publish the numerous press statements, the conference speeches and proceedings and the periodic propaganda releases of the groups (Cleveland 1972).

Papers are also well disposed to being supplied with news of ready-made controversies, he added.

Even 30 years ago these scholars were aware of the significance of the media in interest group politics and, in fact, were remarkably prescient in foreshadowing trends, which are all too apparent today. The trends have been such, in fact, that the role of the media in a pluralist society now requires greater theorisation. Or as Marjorie Ferguson has recognised: “The modern publicity process has generated a more media-centric model of pressure group activity” (Ferguson 1986). The role of the media as a significant element within pluralism will be expanded on in the following chapter and in accord with Jean Seaton’s contention that a pluralist democracy is sustained by a vigorously pluralist media system” (Seaton 1998 p 26).

**A New Zealand Pluralism?**

Pluralism, contends Mulgan, seems a theory particularly suited to New Zealand, with its small, relatively homogenous population, fondness for the freedoms of speech and assembly and relatively open access to the political process. New Zealanders also have a predilection for belonging to groups or organisations – considered to be the cornerstone of pluralism. As Austin Mitchell observed: "A country with a small and scattered population lacking very large conurbations, is … more likely to have a participant society…”(Mitchell 1969). This lack of a centralised community, said Mitchell leads to a flourishing of local groupings. In 1969 he saw New Zealand with a great number of groups with complex organisational structures and a population more
highly organised than most. Groups were numerous because society was well integrated and harmonious. They were free to organise for their own specialised purposes crossing all kinds of regional, racial, religious and social barriers (Mitchell 1969).

A few decades later Mulgan can say that New Zealand is a moderately pluralist state because there is a “considerable degree of community and common interest between all members of society”(Mulgan 1989 p 41). While members of society may belong to a number of different groups within their local communities, occupations and other organisations, they also share certain common, national concerns – so there is a common or public interest as well as sectional or local interests.

Pluralists assumptions about the duty of governments to consult with organised interests have been a long-standing part of New Zealand’s political culture (Mulgan 1993 p 212).

Groups were (and are) ready to turn to the state. “Few New Zealanders hold it in awe and all would demand equality of access to it, an equal right to be heard” (Mitchell 1969 p 45). In the New Zealand tradition the state is there to be used. The norm of free access, noted by Mitchell 30 years ago, still prevails. Mulgan has illustrated the egalitarian aspect of the New Zealand political system. Groups expect equal rights of access and equal opportunities to be heard (Mulgan 1989 p 47). The openness of the political system gives ready access to the centres of power at all levels, particularly to Ministers. A recent news story that appeared in the NZ Herald exemplified this nicely (NZPA 1999). It noted that the Prime Minister receives and responds to something like 80,000 letters from citizens a year.

While pluralism may have flourished in the 1970s because of the stability and security of the political system, the concept took a hammering after 1984 and the advent of the fourth Labour government. From an open or laissez faire model of pluralism interest groups were now regarded as self-interested, “vested” interest groups seeking special advantages or privileges for themselves which were seen as contrary to the
public interest and to the long-term prosperity of the country (Douglas 1993). It could be said that with the reaction against the governments of the period from the mid 1980s to the mid 1990s and the establishment of MMP, the interest groups have regained some of their legitimacy as important actors in the policymaking process, whose input a state might ignore at its peril. With MMP, also, there is now a wider range of parties and interest groups to be considered and included (Boston, Levine et al. 1996), so once powerful groups, such as Federated Farmers, have seen their power and influence diluted.

It is clear that in the policymaking process in New Zealand some economic groups are influential out of all proportion to their numbers. Farmers, for example, represent barely 2% of the population (Mulgan 1993) but have been a traditionally powerful group, although less so in recent years for a variety of reasons. Business as represented by the New Zealand Business Roundtable has been particularly influential, considering it represents a mere 50-60 businesses nationwide. However, these economic interest groups are subject to the aforementioned countervailing forces, claimed by pluralists to leaven the impact of such “insider” groups. Whether these forces are enough to counter their impact is open to debate. As an example of new countervailing forces in recent times, there has been the establishment of a business organisation to counter the Business Roundtable. Auckland businessman, Dick Hubbard, established Business for Social Responsibility (BSR), which by mid 199 had 150 member companies (Hubbard 1999).

Not all New Zealand businesses have the same goals and objectives and there are a variety of business groups, which cater for specific interests and needs within the business community. Examples include the Manufacturers’ Association, Chambers of Commerce and Employers’ Federation. Even within the farming sector there is not always total agreement. Farm owners have more power than non-owners such as
sharemilkers. Relevant to the issue under study, larger farmers have more votes within the co-operative dairy company structure than smaller farmers. Co-operative dairy companies, while all joint owners of the Dairy Board, are also in competition which each other, especially domestically, for farmer suppliers, products and markets. As far as the state is concerned, it is quite clear that it does indeed have its own interests to pursue, and some would say, to the detriment of the pluralist ideal. In particular the influence of Treasury in policymaking is noteworthy (Kelsey 1999 p 220) and its role in this instance of policymaking will be examined later in more detail. Some branches of the state, on the other hand, do not pursue their interests enough, for one reason or another. A case in point in this study, is MAF.

Some Criticisms of Pluralism

Before turning to a more thorough examination of the role of the media in a pluralist democracy it would be remiss not to consider some of the main criticisms of pluralism. Those who subscribe to the elite model of society, hold that a few wealthy and influential individuals make the really important policy decisions. Although voters appear to control government through elections, or appear to influence policy through consultation, the real power is wielded by a small and select group to suit their own interests rather than those of the general public. Other theorists claim that power is exercised by all of the people together not through interest groups. Society is thus a single homogenous community – there are no divisions into different groups. So what are the main problems with pluralism?

The first criticism is that there is an overemphasis on the role of groups in the political process. Mulgan himself warns that one must not overstate the political importance of interest groups, although “they certainly play a highly significant part in determining both the agenda and the outcomes of political decision-making in New Zealand” (Mulgan 1997 p 209). Groups are only one factor in the determination of
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policy. There is also the danger of over emphasising the role of the state or the role of the media.

Another criticism is that pluralism fails to take into account the role of ideas or ideology. Political parties or interest groups can be captured by a powerful idea or theory, which then colours future policymaking. A potent example of this is the neo-liberal economic doctrines espoused by Roger Douglas during the fourth Labour government and whose legacy lingers on, particularly in the ideas espoused by the Business Roundtable.

Pluralists, it is said by critics, also fail to take sufficient account of the external structural constraints on government, for example, international pressure and the impact of the global economy. Access is not as always as open as pluralists suppose - some groups are excluded from the policymaking process for one reason or another. A question also lies over whether different departments within government have the time, energy or the resources to represent alternative interests on policy. It is considered doubtful also, that potential groups do exercise much influence over decision-makers.

The ideal of consensus beloved of pluralists, say critics, is unlikely to be a sign of widespread agreement. Consensus can often be a sign of exclusion rather than general agreement. Even when there is access and a high level of consultation with interest groups the original policy is often still the one presented for legislation. Critics also claim that pluralists have a narrow conception of observable power. They do not analyse the structural constraints the government faces and fail to examine the organisation and goals of government.

A further major criticism, which this thesis supports, is the pluralists' failure to account fully for the role the modern media play within the system. By giving primacy to groups not only have they tended to ascribe a lesser status to the state they have all but ignored the part the media plays in a modern pluralist democracy. These criticisms
will be borne in mind through the course of this thesis and conclusions will be ultimately drawn as to whether, in the instance of the particular policy under scrutiny, the pluralist ideals are being upheld.

**Pluralism and Policymaking**

One cannot consider the theoretical elements of pluralism without taking some cognisance of the policymaking process. The thesis has been influenced in this respect by a number of scholars in this field, for example John Kingdon, Martin Smith and Michael Howlett and M Ramesh (Kingdon 1984; Smith 1993; Howlett and Ramesh 1995). There is a wide range of levels in the policy process, from agenda setting to final policy implementation, where influence can be exerted. However, not all influence may be obvious to observers. Much of it may be a matter of anticipating likely reactions or because of various structural restrictions. But some influence is a result of representations by interest groups and some may be as a result of influence by the media. These issues will be explored in detail later in the thesis.

In a pluralist approach an attempt is made to study specific outcomes, in order to determine who actually prevails in community decision making. Nelson Polsby has made some practical recommendations for the study of community power (Polsby 1969). These suggestions include: picking issue areas as the focus of the study of community power; defending these areas as being important in the life of the community; studying actual behaviour either at first hand or by reconstructing behaviour from documents, informants, the media and so on and studying the outcomes of actual decisions within the community. This thesis will endeavour to follow some of these precepts. A major consideration will be whether the policymaking in the case study was pluralistic. In other words were there many participants who had a chance of influencing the outcome? To be considered will be the interests of the policy makers, the organisation of the policy process and the constraints under which policy is made. Any
exploration will require reference to the political forces of the time. This thesis will chart the progress of the particular policy under consideration through the political system, through discussion in caucus and cabinet, to debate in parliament and in the media. (As the decision-making process has taken longer than expected the study will not be able to follow the issue through to its final conclusion. There is some doubt, at this stage, what shape the eventual legislation will take.) All the important actors in the policy process will be identified, as will be the interests affected by decisions who may not have had any input to the decision making.

**Conclusion**

This chapter has outlined the significant elements of the pluralist model as a preliminary to an in-depth study of a particular expression of interest group politics and its coverage by the New Zealand media. The theory of pluralism is not the focus of this thesis, but it is used to provide a theoretical foundation for what is to come. It is anticipated that through the study of a particular agricultural policy the various elements of pluralism will be highlighted, upheld or disproved. It would be presumptuous, however, to attempt to draw from this particular study, general conclusions about the extent or lack of pluralism within New Zealand society. The study will only demonstrate the extent to which the pluralist model might apply in this particular policymaking process. Pluralism, as stated previously, is a broad, opened-ended approach based on a number of general assumptions. It is an ideal rather than a concrete political expression. Political systems are more or less pluralist. This thesis, as a corollary to determining the extent and effectiveness of the media coverage of the chosen policy issue, should be able to state whether the process was more or less pluralist.
**Endnotes**


Chapter Two

Making a Place for the Media within Pluralism: The Governor Model

Introduction

Depending on which theorist one reads the role of the media in society can be understood as something ranging from the last bastion of democracy to the malleable tool of the ruling elite (Atkinson 1997 p. 234-244). In the former capacity, the media undertakes a fourth estate role as watchdog for the citizenry – actively scrutinising the workings of government and its officials, ferreting out information and ensuring elected officials and their bureaucracy act in the interests of the public good. In this scenario the media and its professional communicators – the reporters, journalists, columnists and so on - are expected to act neutrally and objectively in the interests of the community, seeking out and presenting a diversity of information on a range of issues. From this citizens sift, debate and weigh the information before making political choices, as is their democratic right. Citizens are seen in this model as active and influential participants in the political process.

At the other end of the scale the media is a “nefarious” (Kahan 1999 p 19) influence on democracy acting in collusion with ruling elites. Media organisations, because they are (usually) large capitalist business enterprises, are ideologically in tune with governing elites and the two conspire to keep each other in dominant positions in society to the detriment of the citizenry. In this scenario citizens are kept in the dark through the dissemination of biased or slanted information, and are not expected to be able to recognise it as such, to recognise omissions, or information designed to enhance consensus, deflect dissent or cover up downright deceit or deception.
This debate as to the role of the media in society is often accompanied by an equally vigorous debate as to just how influential or powerful the media actually is. Again there are the two extremes. On the one hand, the media is considered dangerously influential, not only because of their favoured social, political and economic status in society but also because media professionals are unelected and therefore only accountable to their media bosses - the owners and company shareholders. On the other hand, the claim is that the media, while generally being an extremely important institution in society, is, nevertheless, only influential part of the time.

**Terms and Definitions**

Before considering both these issues in more depth, it is necessary to consider this term “the media” more fully. Generally the designation is used in the plural and encompasses all types of media forms from radio, television, film to newspapers, magazines and books. In the context of the political arena, however, this term should be narrowed down to the “news media” – those organisations that specialise in newsgathering. The tendency is to lump together all the organisations that fall within the sphere of newsgathering – the news media - and tar them with the same brush. The “monolithic bloc” as Michael Kahan named it (Kahan 1999 p 24). Some sweeping generalisations, often highly critical, are then made of “the media” without considering that these generalisations might not actually apply to specific media. That is one of the reasons why, in this study, a variety of media has been researched. The other reason is that it is unlikely that members of the public receive their information from only one source. By considering a range of likely sources a researcher should be able to determine whether, overall, a citizen is well served by the media on a particular issue.

Within the context of this thesis the focus will be on the role of the media within a pluralist society and in public policymaking within pluralism in particular. This does not indicate total acceptance of pluralism, but it is being used as a convenient model
from which to scrutinise the actions of the New Zealand media during the chosen agricultural policymaking process.

It is the contention in this thesis that the role of the media should be more robustly theorised within the pluralist tradition to take account of the greater role the media now plays in society and in the political process, especially with relation to the interest groups. This more media-centric role has come about for several reasons, the most significant being attributed to the range and scope of modern mass communications. This is in turn made possible because of new communication technologies. Neither the state nor the interest groups can possibly command alone an audience such as can now be delivered by the media organisations. Surveys consistently reveal, for example, that most people obtain their information about the world from television. “Television…is by far the most popular medium of political communication,” said Joe Atkinson (Atkinson 1997 p 236). Politicians and interest group leaders now take cognisance of this when devising their media strategies. In some cases the media has even taken over the state’s role in disseminating specialist information. As a small example related to this, publisher Brian Hight noted that it was the specialist rural publications that became the outlet for much information from the Ministry of Agriculture when its media outlet, the *Journal of Agriculture*, folded in the mid ’70s (Hight 1999).

While state political actors recognise the importance of media strategies and tactics so too now, do the interest groups. Blumler attributes a more media-centric model of interest group activity to the decline of a strong party system. This has given many groups “incentives to cultivate media attention as an alternative channel of influence” (Blumler 1990 p 105). Paul Taylor attests to this also.

With the decline in political parties, journalists have increasingly become players in a political contest in which they also serve as observers, commentators and referees (Taylor 1992 p 43).
In New Zealand, one could argue that the introduction of MMP has also ensured that groups’ interests now attain more recognition.

Interestingly, Brian Hight contended that it was the probing of agricultural journalists, such as those employed by him on *Rural News* and *Dairying Today*, into the actions of the producer boards which spurred many of the boards into beefing up their public relations departments (Hight 1999). So it is just as much the intense desire for news on the part of the media, as that of the interest groups’ and the state’s desire for publicity, that has created a more media-centric model of pluralism. This desire, of course, has encouraged the increased use of public relations professionals. An added spur has been the, often, torrential amount of information that now needs to be filtered and disseminated.

Another point made by Jay Blumler to explain the more central role of the media, is that the media has come to be seen as a provider of “social cement” as the ideational foundations of society and moral consensus have become less assured and the institutions that traditionally upheld them have weakened (Blumler 1990 p 105).

This notion is echoed by Michael Kahan who sees the media as “connectors among us, rather than simply as extensions of the conveyors of content”(Kahan 1999 p 24). In fact he contended this role as connector among people may be the media’s “most important (perhaps the real) role” (Kahan 1999 p 37).

**The Media and Pluralism**

Media pluralism is something more than a plurality of media. If it were just the latter there would probably be less media research and more agreement amongst researchers. Just having more media does not automatically ensure democracy is being well served. Not only must there be a multiplicity of sources there must be a variety of messages as well, from all parts of the political spectrum and from all sectors of society.
With this desirable diversity it is assumed citizens will be able to select the information that meets their individual or group needs.

It is interesting to note that both the state and the media are seen to reside above the citizenry who, from the bottom, send forth their requests. It would be impossible within this thesis to research the genesis of such a hierarchy, but it will be argued that rather than situating the state and the media above the individuals in their interest groups, all three are placed on an equal footing. Media organisations, interest groups and the state all enjoy a degree of autonomy from each other. According to the pluralism model, said Tony Bennett, "the media, functioning as the fourth estate, play an important part in the democratic process in constituting a source of information that is independent of the government "(Bennett 1982 p 31).

But the media is not the only independent source. Interest groups are also an independent source of information. But both the groups and the state are reliant on the media to communicate this information.

The pluralism model also stresses

the capacity of the undifferentiated public to make its alternative wishes known, to resist persuasion, to react, to use the media rather than to be used by them. The media respond more to public demand than vice versa. (McQuail 1991 p 87)

This resonates with comments made by C. Wright Mills when reflecting on American society (Mills 1963). He noted that: “no views of American public life can be realistic that assumes public opinion to be wholly controlled and entirely manipulated by the news media” (Mills 1963).

There are forces at work among the public, he believed, that are independent of the media of communication “that can, and do at times, go against the opinions promulgated by them.”
The competing images of the world presented by a pluralist media ensure diversity and choice. It is desirable in a pluralist society that the media “reflect and express a wide and representative range of views and interests” (McQuail 1986 p1-16). Ideally the media should reflect all values and interests in the community equally. Allan Rachlin again:

The media in the pluralist view, can be seen simply as a disinterested source of information where interested parties can obtain knowledge about the issues of contention. It can also be understood as a forum within which contending interests have equal opportunity to present their cases and mobilise the public to support their cause in a democratic decision-making process (Rachlin 1988 p 21).

Just like interest groups, media organisations have their own values and special interests, varying levels of resources and qualities of personnel and output. And just like groups, media organisations are free to establish themselves and in liberal democracies are usually guaranteed freedom of expression. In New Zealand, in particular, there are very few rules and regulations to prevent anybody starting up a media organisation. So just as there can be a plurality of groups within society, there can be a plurality of media. And while these media organisations have their own interests as business enterprises to consider, their unwritten mandate as media organisations mean they are constrained to consider the greater public good. This is relevant to current debate on whether competitive deregulative pressures are subverting the public good role of broadcasters. Attaining the right balance between the opposing demands of the commercial world and those of public service is not easy when the broadcaster is neither wholly commercial nor wholly public service but something in between.

As Denis McQuail noted, there seems to be a “fundamental presumption” that the media do serve the ‘public interest’ or ‘general welfare’, “whether by chance or design” (McQuail 1991). It is recognised by pluralists that interest groups and the state can be self-interested but also have the community good at heart. Therefore it seems
reasonable to also recognise this of media organisations. It is the task of all three to ensure that each of the partners in the triumvirate keeps these interests balanced.

The media within a pluralist society would expect to have wide ranging access to both the state and groups. “In general by world standards, New Zealand can claim to have an open system of government,” states Richard Mulgan (Mulgan 1989). The proceedings of parliament, where all legislation and expenditure must be approved, are open to the public and to the media. The media and citizens can use the Official Information Act to obtain information if they find that access to information is being denied by the state. Obtaining information from interest groups is rather more problematic, as this research will indicate. Some media have more access than others do and this can be dependent on the legitimacy of the media organisation and even on the personality or status of particular journalists. Broadcasting, and television in particular, enjoys a favoured status in the eyes of both the state and interest groups.

As noted earlier, in classic pluralism the state was expected to stand above groups acting as neutral arbitrator. This is rather similar to the way that the news media is expected to stand above society acting as the neutral watchdog. However, news media organisations are in society – they are part of it, not above it and therefore will be affected by the same failings, problems, and pressures that every individual or institution faces within society. Allan Rachlin considered the best way to understand how the media serves the needs of democracy – or fails to do so – is to expand the study of the media to include a “broader political sociology” - one that places the examination of the news media in a social context beyond individual organisations or the journalistic profession.

Such a study would recognise the press to be immersed in the totality of social relationships. Rather than standing apart from the world on which it reports, the press is instead understood to be of that world (Rachlin 1988 p 3).
And not only of that world but also subject to pressures similar to those which impact on interest groups and the state. As John Eldridge commented:

Media occupy space which is constantly being contested…subject to organisational and technological restructuring, economic, social and political constraints, commercial pressures, changing professional practices (Eldridge 1993 p 20).

As a consequence of this, the “changing contours of the space can lead to differing patterns of domination and agenda setting and different degrees of openness and closure”(Eldridge 1993).

Another facet of pluralism, which is applicable as much to media organisations as to interest groups and within the state apparatus, is that of competition. News media organisations are in the business of seeking out information and disseminating it, usually as quickly as possible. When there are many organisations seeking the same thing, there can be intense competition. So not only are individual media competing but at the coal face, as it were, individual reporters compete with each other to be first with the news. This competitive rivalry can become quite intense, as we shall see later, when we come to discuss New Zealand’s rural publications. However, this competition does not necessarily mean that the news will be different. The same forces that generate competition amongst media organisations also tend to generate a similarity in news coverage. News coverage by the two television stations in New Zealand, for example, is remarkably alike - in content and presentation. The same could be said of the major dailies.

This leads on to the subject of dominance. Pluralists tend to resist the view that the efforts of a single dominant class consciously seeking to use media for class ends provides the key to understanding the working of the media. Within a pluralist system while there may be many and various media organisations attempting to be first with the news the same organisations are not first all the time. No one organisation dominates the
gathering and dissemination of news all the time. One day it may be a newspaper, which leads with a new story to be followed by television and the weeklies or monthlies. Other times, through diligence and painstaking investigation, a monthly publication might scoop a story. Success at news gathering, like success as an interest group depends on many things – from resources of money and time, the status and legitimacy of the organisation and often to the competence of individual reporters or broadcasters.

In studying pluralism, the concept of power is an important one, and especially when related to news media organisations. As Eldridge noted, “a society without power is literally unthinkable” (Eldridge 1993 p 341) It is therefore plausible to expect that the media per se might be a powerful and influential force within modern society. Jane Kelsey has stated, and other theorists have agreed, that the media is “a major conduit of knowledge, values and critique” (Kelsey 1995). But that does not necessarily mean that individual media organisations are powerful and influential. Some are and some are not, for the reasons already mentioned above. To find out what the truth is, in a particular situation, requires investigation. If, as pluralists say, power is tied to issues, and issues can be fleeting or persistent, then it can be assumed that as far as the news media is concerned, they can be more or less powerful depending on the circumstances of the particular issue. It is the purpose of this thesis to investigate what role the New Zealand news media played in a specific agricultural policy process – to investigate, not whether the media was influential or not, but whether individual media were. Together they may well have been, in this instance, or maybe none of them were, or only some. It will take empirical investigation to find out. Maybe there were alignments within the triumvirate of state, interest groups and the media, which created a powerful grouping. Maybe all three groups strained against each other. If pluralist ideals worked in this instance of policymaking, the best policy possible should be the result.
While pluralists expect and hope power to be dispersed equally amongst groups, and, this thesis contends, the media, in practice this may not be the case. Denis McQuail observed that while pluralists oppose trends towards media dominance, they “do not always identify economic concentration, for instance, as inevitably inconsistent with a pluralistic media reality” (McQuail 1986). Ideally a pluralist society would have many media and media which are independent of each other. (It is never stated what the ideal number of media outlets in a society might be, but it should be enough to ensure a variety of voices are heard.) However, the reality is that generally a few large media organisations own the bulk of media outlets in most countries and this trend appears to be intensifying (Herman and McChesney 1997). The question is, does this make them disproportionately influential because other media voices are drowned out? Are there enough alternate voices that are being heard? That is why this study does not just consider a narrow range of media offerings on the particular policy under investigation. Benjamin Page advised:

We should not study only what does or does not appear about politics in one type of media, like television news: as far as possible, we should look at what all (author’s own italics) the media have to say. We need to pay attention to the totality of political information that is made available, because much of it may make its way, directly or indirectly, to the public (Page 1996 p 7).

The media fulfils a crucial role as a countervailing force against interest group and state power, contended Tony Bennett, thus preventing “a disproportionate degree of power from being concentrated in any one section of the population or organ of government” (Bennett 1982). Public reaction reflected in the media helps to provide politicians and public servants with feedback about their performance and to keep them responsive to public opinion. “Publicity, particularly publicity of actions which may embarrass the governing party, is essential to the democratic responsiveness of government.” Geoffrey Palmer concurred: “A key vehicle for public opinion acting as a
check upon government is the news media" (Palmer 1987). It is the contention here that the same principle works for interest groups. Not only does the media scrutinise the state, the media scrutinises the interest groups as well – providing them with feedback and keeping them on their toes. The traditional fourth estate role of the media as the watchdog of the state is therefore expanded to include scrutiny of interest groups and their actions.

The media is also subject to similar constraints as interest groups and the state. What might some of these constraints be? Insofar as the state and the media are concerned, elected officials always have the power of legislation at their fingertips. The state can pass laws, which constrain media ownership and even content, through censorship regulations or quota restrictions. The interest group, or the state for that matter, often has specialist information, which can be withheld from journalists. If journalists break the unwritten rules of the game in their relationship with officials or members of the bureaucracy, they may soon find their access to information, other than that released generally in media releases, is significantly curtailed. The personal contact between politicians (or other officials) and journalists is an uneasy one at best – the relationship one of symbiosis or co-dependency, or even as one of a “dance” or “a tug-of-war (Gans 1979) – and one whose fragility is easily broken.

As far as the interest groups are concerned, the avenues open to keep a check on the media are varied and can be more or less effective. Complaints about the media can follow several channels. Letters to the editor are the first and most obvious recourse. If this does not bring about the required result, a citizen, and that can include journalists, may make a complaint to the Press Council, as far as the print media is concerned, and to the Broadcasting Standards Authority as far as radio and television is concerned. In serious cases, charges of defamation can be brought against a particular media
organisation. If there is a plurality of media, most interest groups with a story to tell, if they meet general news media values, will get a hearing – if not the least because of the competition for news. “The truth will out” eventually, as Al Morrison political editor for Radio New Zealand said on a recent Backchat television programme (Ralston 1999). The last resort is always “noise”.

Some theorists would argue that the media wields particular power because of its agenda setting ability. As noted by Eisenberg in the previous chapter, whoever controls the agenda and determines the priority of issues often wields the power (Eisenberg 1995). Pluralists would not deny this was the case but would contend that while the media may have the power to set agendas it does not do so all the time on every issue.

The Media as Political Communicator

While this chapter has been at pains to emphasise that the media’s role in society is neither more nor less important than the role of interest groups or the state, it is necessary to dwell for a time on the role of the media as a political communicator. There is no doubt that today the media is an important component of the political process. Nicholas Garnham has recognised that “…the institutions and processes of public communications are themselves a central and integral part of the political structure and process” (Garnham 1993 p 361). The media organisations are political actors and should be recognised as such (Wheeler 1997). Kahan sees part of the problem as an almost exclusive focus on media content. The research horizons should be expanded, he maintained,

to include the media themselves and the total nature of their content and messages, if we are to understand their impact and thus their ultimately political meaning in our society. (Kahan 1999 p 22)

Why don’t we call journalists political actors? Is the title of a chapter in Timothy Cook’s book, Governing with the News (Cook 1998). In this book, Cook
developed a new model of the reporter as “a key participant in decision making and policymaking and of the news media as a central force in government.” This view coincides with other theorists who now question the role of journalists as passive communicators of information or as disinterested neutral observers objectively relaying information. “Media are more than observers – they are an integral part of the process” (Garnham 1993 p 287). While some reporters are passive in their role as communicators, journalists today can also be active analysts and even advocates of solutions. Al Morrison is one who has accepted he has influence and who has rejected the notion that journalists are objective.

Many journalists hide behind that word. We are not objective we are subjective. We make choices on what to cover and how to cover it. That doesn’t mean the news is biased, but it is subjective (McLoughlin 1999 p 64).

For all that, like interest groups, the media is not a part of government and so while it may be able to influence policy it cannot actually make it. The power to make policy is firmly in the hands of the state. The question then is, just how much influence do the interest groups or the media have on policymaking? Edward Herman draws attention to the disagreement about the nature and character of media influence and the degree to which it is an independent force. Does it, mused Edward Herman, “merely reflect and transmit the views of other important power interests in the country?” (Herman 1995). Michael Kahan considered that the media is “not yet fully appreciated as the carriers of the content of those who are also the receivers of the communications” (Kahan 1999 p 22). In other words, the media is actually a reflection of society itself. What has tended to happen, is a scholarly focus on how well or poorly, or with how much bias the media operates. “What these writers do not do, and what perhaps should be done, is place the media into the political arena, making them actors” (Kahan 1999 p 22). And in so doing, scholars should, therefore, expand their horizons to include the media itself and the “total nature of its content and messages” in order to understand its impact and political meaning in society.
The Media and Public Policy

As the focus of this thesis is the media and agricultural policymaking it is important to consider the relationship, generally, not just between the media and society but specifically between the media and public policy. In doing so the work of John Kingdon (Kingdon 1984) Michael Howlett and M. Ramesh (Howlett and Ramesh 1995) and Robert Spitzer (Spitzer 1993) will be considered. Opinions on the role of the media in the policy process range from those who regard it as pivotal – to those who describe it as marginal.

There is no denying that the mass media forms are crucial links between the state and society, a position that permits them to strongly influence the preferences of the government and the society on public problems and solutions to them. Yet at the same time their role in the policy process is often sporadic and most often quite marginal (Howlett and Ramesh 1995 p 59).

Kingdon also noted the sporadic nature of the media’s influence in Agendas, Alternatives and Public Policies “The media report what is going on in government by and large rather than having an independent effect on the government agendas”(Kingdon 1984). Even though Kingdon found that the media had much less effect on government policy agendas that anticipated, he did consider the media “may be important in some interesting ways and under some circumstances.” He identified four of them. The first is that media can act as a communicator within a policy community, often through specialised publications. The second way that the media may affect the agenda is by “magnifying movements that have already started elsewhere, as opposed to originating those movements.” Journalists can help shape and structure issues, in other words. If, as is believed, the media affects public opinion, then the attention of politicians to public opinion might well imply media importance, said Kingdon. And finally, he said the importance of the media may vary from one type of policy actor to another. The media can be used as leverage if required to get a point across.
Howlett and Ramesh took up this last point when warning against exaggeration of the media’s role in the policy process.

The other policy actors too have resources to counteract media influence. Policy makers…are not easily swayed by the media or the mere fact of media attention (Howlett and Ramesh 1995 p 59).

In a study of news media functions in the policymaking process, John Fisher of Athabasca University, found that reporters were more influential in functions involving transmittal of information to the public and had less impact in functions involving personal and professional influence in the legislative setting. Fisher concluded that the impact of the press on elected officials was “low to moderate” (Fisher 1991).

Robert Spitzer homed in on just where the media’s influence is crucial.

More than any other single force in national politics, the media controls the scope of politics, since the scope of politics is most often regulated by modern mass communication organisations (Spitzer 1993 p 8-9).

Julio Borquez has taken issue with Kingdon’s downplaying of the role of the media in policymaking and his failure to “consider the possible impact of interactions between media personnel and other policy actors (Borquez 1993 p 34). To the contrary, claimed Borquez “the amount and nature of contact between reporters and officials can have significant impact on the policy process.” In line with other theorists, he contended that “the extent and form of media influence stems from complex combinations of interaction between journalists and government officials and other policy actors” (Borquez 1993 p 34). Geoffrey Palmer considered that the ways in which news is reported, editorial opinion is expressed, television and radio current affairs programmes are handled all affect the capacity of the public to probe and question the decisions of government. “This scrutiny acts as a constraint upon the decision making” (Palmer 1987).
Communicating Agriculture

With the “greater centrality of the mass media in the conduct of political conflict” has emerged what Blumler calls “the modern publicity process” (Blumler 1990 p 101-113). And central to this has been the emergence of a different breed of communicator – the public relations professional. Not only do these people have significance for the state and interest groups but also for the media as well. Many factors have contributed to the growth of public relations, not the least being the enormous amount of information that all organisations must now process. But as well with space in the media at a premium, both interest groups and the state are in ever increasing competition to get themselves heard or seen. It is the PR professionals’ job to see that her clients get the publicity they are seeking. They are therefore extremely important intermediaries between interest groups or the state, and the media. As stated earlier, interest group activity has become more media-centric as a result of the modern publicity process.

Until the 1960s, interpretations of the roles of pressure groups focused mainly on relations between organisations representing the diverse interests and causes of a pluralist society and the agencies of government, in which news media publicity played little part (Blumler 1990).

It is a different story now and part of the research for this thesis will consider the role and influence of the PR consultants or professionals acting for both the state and interest groups in the agricultural policymaking process.

The New Zealand Media - Some Criticisms

Before moving on to consider interaction between state, interest groups and media in agricultural policymaking in 1998, it seems helpful to examine current views of scholars on the status of the New Zealand media. The results are quite disheartening. Almost without exception the views are highly critical and negative. Democracy in New Zealand, it seems, is being ill served, despite some mitigating circumstances. Lest we
think that the perceived poor performance of the media is something new we can hark back to the views of Austin Mitchell in 1969. He described the nature of the New Zealand press as:

a machine which accepts news rather than hunting it out and hence one ready to publish the numerous press statements, the conference speeches and proceedings and the periodic propaganda releases of the groups. Papers are also well disposed to being supplied with news of ready made controversies (Mitchell 1969 p 43).

Les Cleveland corroborated this view of a passive media in 1972 when he commented on the "honest but only sluggishly active news media" (Cleveland 1972). Criticism of the media came to a head during the fourth Labour government. Not only was the media passive it was compliant as well. The new government was rarely held to account by the media, claimed Jane Kelsey.

The ascent of Lange, Douglas and the Labour government in 1984 was enthusiastically embraced by the media soon becoming little more than sycophantic propagandists for Rogernomics (Kelsey 1995 p 34).

Andrew Sharp in _Leap into the Dark_ was even more damning. "Already seduced by the policy makers of Treasury, think tanks and big business, the media were, after 1984, additionally kept enthralled by government news sources" (Sharp 1994 p 3).

This latter point is one that Joe Atkinson is particularly concerned about.

Most political news comes from "official" (mainly government sources) and reflects both the organisational needs of the media and the established power relations in society at large (Atkinson 1994 p 146).

This backs up his contention that the news media in New Zealand “are heavily dependent upon and largely subservient to the state” (Atkinson 1994 p 146). Kelsey did admit that after the stock market crash of 1987 "the euphoria began to wear off" and a "cautious" media scrutiny began (Kelsey 1995 p 35).

These criticisms would suggest that New Zealand society is not a pluralist one with an equal balance between the interest groups, state and the media. Rather it appears
that an alignment of state and media has combined against interest groups. If the media and the state have been colluding, however unconsciously, in such a manner then the interests of citizens have indeed been poorly served and the elite model holds good and not the pluralist one.

It is now nearly ten years since the fourth Labour government was displaced from power. One of the tasks of the research in this thesis will be to discover whether the situation described by Mitchell, Cleveland et al continues to this day in a specific policy arena. While it would be inappropriate to draw general conclusions from the research, it might be reasonable to assume that the practices discovered in this particular study might be indicative of practices followed in other policy areas.

**The Governor Model of Pluralism**

To depict the expanded relationship between the state, interest groups and the media the author, with the assistance of Hugh Morris of the Department of Civil and Resource Engineering at the University of Auckland, has devised a model of pluralism based on the principle of the "centrifugal governor".

Before elaborating on this concept, it is necessary first to describe the governor. It is a mass and spring device that regulates the speed of a rotating motorised system. Historical examples rely on two or three equal masses that react against a spring system and control the motor’s rotational speed. The links between the masses are equal in length and weight and the masses themselves are equal. This supplies balance and therefore stability. If any of the masses increase or decrease in size at a different time to the others the system will be out of balance and the rotating shaft will flex and experience a significant increase in stress.
If any of the connecting rods increase in mass or length the system will similarly move out of balance. If one mass was worn or removed or some unexpected mass was added the system would begin to shake and extra wear would occur. There could also be considerable noise and rattle (Morris 1999).

In the Governor Model of pluralism the three equal masses of state, interest groups and media are linked together and between them they control or moderate society. Each is necessary for the smooth operation of the system. Balanced and stable they deliver a balanced and stable society. If any one of the masses moves out of its state of balance by becoming larger or smaller, the whole system (society) is thrown out of kilter. If, for example, the state is not constrained by the checks and balances supplied by the media and the interest groups, and becomes overarching, pluralism and therefore society suffers –it moves out of equilibrium and becomes unstable. The same can apply to the media or to the interest groups. Furthermore, two may weaken the third. The
media and the state acting in concert against the interests of the groups, for example, will also throw the system into an unbalanced situation. A pluralist society, therefore, aims for perfect balance, avoiding “noise and rattle”, through the “governance” of the three societal masses of state, interest groups and the media.

**Figure 3:** This illustration, based on the idea of the governor, shows a similar dynamic rotational system in balance. The system is stable and rotates without wobble.

**Figure 4:** This illustration demonstrates what happens when one or more of the masses becomes unequal in size and disrupts the smooth running of the system.
Conclusion

In these two chapters an attempt has been made to delineate a model of pluralism that takes account of the greater role that the media now plays in societal relations. Previous theories of both pluralism and policymaking have not taken sufficient account of this when considering the role of the media - if they have considered it at all. In the past more weight has been placed on the significance or impact of the interest groups or of the state and little thought given to how important a part the media might have played. For a variety of reasons the media has now become a significant force and it can no longer be excluded when discussing either pluralism or policymaking. This has lead to the theorisation of the Governor Model of pluralism - an analogy which emphasises the equal importance within pluralism of interest groups, the state and the media and how crucial it is for these three to be in balance for the successful operation of a democratic society. As the focus of this thesis now moves to a consideration of the interaction between state, interest groups and the media during a specific agricultural policy cycle, the Governor Model will be used as a guide to assess whether balance or imbalance is reflected in this policymaking process.

Endnotes


Communicating Agriculture


Chapter Three

Communicating Agriculture – New Zealand’s Biggest Business

Introduction

As the primary industries, especially dairying, are the country’s biggest earners it could be expected that they would be an enormous source of news for the nation’s media. To test this hypothesis this chapter will consider all media from print and broadcast to on-line media. This will mean some areas of the media will receive more attention than others as the focus is on those that communicate agriculture. Consumer magazines, for example, will be ignored. This brief sketch will be conducted bearing in mind the principles of the Governor Model of pluralism outlined in the preceding chapter.

An important tenet of media pluralist theory is that there should be a wide variety of media on offer to a society’s citizens and that they speak with a variety of voices. Is this the case in New Zealand for agriculture and for dairying in particular? To answer this question, four factors will be considered. First, consideration will be given to the number of media that might be expected to communicate on agriculture. A second factor to be considered is media ownership and whether there is a variety displayed here. Thirdly, as will be demonstrated in the examination of agricultural interest groups in the next chapter, individuals can play important roles within organisations, so the calibre and expertise of agricultural journalists will be considered. Finally, as pluralist theory indicates, even media could be expected to belong to groups, so there will follow an examination of the possible groups that media organisations or their journalists might belong to. In this chapter a distinction is made between mainstream media and specialist
agricultural media. While it is taken as read that the latter’s main focus and raison d’être is to cover the primary sector, it is not so certain that the mainstream media will. For the purposes of this thesis the mainstream media are taken to be the metropolitan and provincial press, national magazines or newspapers, television and radio.

**The New Zealand Print Media – Newspapers**

In New Zealand there are nine daily newspapers with circulations of more than 25,000. Of these, five are metropolitan dailies. They include the *NZ Herald*, Auckland, (209,858); *The Press*, Christchurch, (92, 936); *The Dominion*, Wellington, (68,842); *The Evening Post*, Wellington, (60,315); and the *Otago Daily Times*, Dunedin, (44,445) (ABC 1999). Four provincial papers record circulations higher than 25,000 and they include *The Waikato Times*, Hamilton (41, 869); *Hawkes Bay Today*, Hastings, (31,561); *The Southland Times*, Invercargill, (30,938) and *The Daily News*, New Plymouth, (26,800). As at March 31, 1999 there were another 15 provincial daily newspapers and three non-daily newspapers servicing such diverse districts as Oamaru, Greymouth and Ashburton in the south and Whakatane, Gisborne and Tauranga in the north (NPA 1999). This seems a large number of newspapers servicing such a small population and demonstrates a high weekly readership of daily newspapers. According to the latest figures from the Newspaper Publishers Association of New Zealand weekly readership is 79% of people over the age of ten (NPA 1999 p 4). It is difficult to discover comparative readership figures from other nations but the New Zealand level still appears relatively high. In the US, for example, the Newspaper Association of America released figures in 1999 that indicate that “currently 57.9 % of adults living in the top 50 media markets read a daily newspaper”(NAA 1998; Lieberson 1999). This figure represents a 0.7 % drop from the 1998 readership average of 58.6 %. In France,
50.7\% of all French people read a newspaper daily according to a report by Mediapolis in 1996 (Mediapolis 1996). NADbank in Canada reports that 59\% of people over the age of 18 read a paper yesterday (NADBank 1999). Each survey uses different methodology to obtain these readership figures. One thing they all agree on, however, is that newspaper readership worldwide is dropping. Much of this is attributed to the increasing variety of other media forms available.

More television channels, more radio stations, more movies, more magazines, the Internet. – all are growing to meet a seemingly insatiable demand for media (MPA 1999 p 56).

New Zealand is also unusual in that there is no national daily newspaper. However a trend in later years has been the overlapping of geographical distribution areas especially in the largest market Auckland. INL publications, in particular, namely The Dominion, Waikato Times and The Evening Post are now available daily, not just in major booksellers but also in many local dairies.

With so many provincial papers servicing largely rural areas one would expect a reasonable proportion of farming or agribusiness news. Indeed most metropolitan and provincial newspapers carry some farming news at least once a week either under a general farming or an agribusiness banner. But this represents a significant decline over the years, especially in the last decade. The space now devoted to this sector is often sparse, sometimes less than half a page, although important agricultural stories can sometimes make their way into the general news pages, even the front page.

The NZ Herald philosophy espoused by (now) editor in chief, Gavin Ellis, is that agriculture is covered from a business sense, a human interest sense and a daily news sense, said current NZ Herald agriculture editor, Philippa Stevenson (Stevenson 1999). The NZ Herald’s agribusiness page is on a Monday and is currently only one page,

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3 Hawkes Bay Today is a new daily newspaper formed from the merger of The Daily Telegraph and The Hawkes Bay Herald Tribune
largely because of the constraints of advertising, said Stevenson. Agribusiness rates highly with the Business News editor, Rod Oram, she added. He believed it should be tackled from a business point of view. The Otago Daily Times runs two to three pages of farming news every Friday, “largely unchanged from 10 and 20 years ago” according to Robyn Charteris, the paper’s editor (Charteris 1999). Many of the newspapers tend to focus on farming methods and practical on-farm topics rather than on farming politics, the role of agriculture in business or national farming issues. Occasionally the big circulation Sunday Star Times (200,485) will run an agricultural story, but this is rare.

A news gathering organisation of central importance to the New Zealand newspaper industry is the New Zealand Press Association. The NZPA is a co-operative news agency owned by the country’s daily newspaper industry. With a Wellington head office, NZPA operates a 24-hour, seven-day-a-week service disseminating national and international news to its member papers. The service is based on an exchange of news amongst all member papers, with NZPA staff selecting, editing and writing items. The staff of 60 also initiate news through its Parliamentary Press Gallery team, specialist finance and sports staff and journalists based in Auckland and Christchurch. There are also NZPA correspondents in London and Sydney. As well the association distributes international news and information direct from Reuters and other major news agencies. The board of directors is representative of NZPA owners (NPA 1999 p 8). NZPA has a reporter who modestly claims “some degree of familiarity” with primary production, Kent Atkinson (Atkinson 1999). He does not see himself as an agricultural specialist but says he has provided a lot of the coverage of the sector in recent years.

The New Zealand Print Media – Magazines

According to the Magazine Publishers Association, which represents this sector “New Zealanders have a passion for magazines” and this attitude places them amongst
the world’s highest per capita consumers of magazines (MPA 1999 p 7). The 27 copies (in audited magazines alone) that New Zealanders read a year compares with 22.2 (US), 24.9 (Australia) and 31, (UK including unaudited titles) (MPA 1999 p 17). "It’s a passion that’s led to an explosion of titles and circulations in 1990s – with a threefold increase in audited titles and a 72% increase in circulations since 1990” (MPA 1999).

While this thesis is not concerned with consumer magazines one would expect to find extensive coverage of agribusiness in the country’s business publications. On the face of it this appears true. According to AC Nielsen Media Directory, July 1999 there are 64 magazines covering rural, agriculture, farming, horticulture, forestry and fishing, 59 general business, three export/import and 11 food processing, hospitality, cuisine and catering (MPA 1999 p14). Despite this apparent plethora of titles coverage of agribusiness is still minimal. In the mainstream titles, some coverage is provided by the two Auckland based business weeklies, The Independent (10,911 ABC) and to a lesser extent the National Business Review (14,063 ABC).

Bob Edlin, who writes on agribusiness for The Independent, said that editor Warren Berryman recognised the importance of farm-based industries to the economy and that some of them (such as) dairy and meat most obviously embrace some of the biggest companies in the country. “That makes them big business; therefore they must feature in a business publication,” said Edlin (Edlin 1999). The Christchurch-based fortnightly publication MG Business runs a regular agribusiness column. Occasionally the Chartered Accountants Journal of New Zealand will cover farming issues. The weekly newsletter style publication, TransTasman, based in Wellington, often runs relevant political news pertaining to farming. Other such business oriented magazines as NZ Business and Management only rarely cover the primary industries. In New Zealand there is a very active group of print publications devoted to covering the
agricultural sector which often only go to rural or affiliated readers but nevertheless have relatively large circulations. These include general farming and specialist dairying publications. The general publications include the weekly *NZ Farmer* (12,639), the fortnightly *Rural News* (93,483) and *Straight Furrow* (89,354)\(^5\) (ABC 1999). These magazines provide general news coverage of all areas of agriculture as well as product information, farming practices and so on. There are three specific dairying publications. They are the Dairy Board’s *New Zealand Dairy Exporter* (15,261), *Dairying Today*, (29,774) and *The Dairyman* (26,624)(ABC 1999). As well there is *AgBrief*, put together by Inventas Media based in Agriculture House in Wellington, which is a weekly summary of news in agriculture, horticulture and forestry, with an emphasis on the agribusiness and entrepreneurial approach. *Agbrief* sources news from all the major New Zealand media - newspapers, radio, specialist magazines, specialist newsletters, and many more. Other specialist publications, which occasionally provide news about the dairy industry, are *Food Technology in New Zealand* (TPL Media), *Food Business* (Review Publishing) and *New Zealand Food Journal*\(^6\).

**The New Zealand Media – Broadcast**

Other media, apart from specialist rural publications that could be expected to provide regular coverage of farming matters are the broadcasters, radio and television. As far as radio is concerned there are two separate news services. Radio New Zealand provides one and the other is The Radio Network’s Independent Radio News (IRN). Radio New Zealand has a general news service, which it also provides to the two television stations, TVNZ and TV3. Uniquely, it also has a specialist Rural Unit devoted to coverage of news of the primary sector. Kevin Ikin has headed this for the last 14

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\(^4\) formerly the *Mercantile Gazette*

\(^5\) *Straight Furrow* was sold by Federated Farmers to Rural Press early in 1999 and now incorporates *AgTrader* and *Farm Equipment News*

\(^6\) the official publication of the New Zealand Institute of Food Science & Technology
years. In 1986 when Ikin joined the unit, there was a network of about 15 or so rural journalists around the country. They contributed to a 20-minute *Rural Report* at lunchtime every day and a programme of about 7-10 minutes in the morning. Since then bulletins have been reduced substantially as have the number of journalists because of cost constraints.

Radio New Zealand couldn't afford to keep such a big network of rural journalists going when they needed to boost up their general group. It had to trim back and cut its cloth according to its resources (Ikin 1999). This meant that by June 1999 there were two journalists contributing to two, five-minute bulletins a day although this was to increased in July 1999 to eight minutes. Despite this, the radio journalism of the unit is of a high standard and generally well regarded by all in the agricultural industries. The unit was Landcorp Communicator of the Year in 1995. As well there were three people doing the *Countrylife* programme on Friday nights, which replaced the old country Saturday programme. *Countrylife* has also received awards for its work. The rural radio journalists are also expected to put material into the general news system, and contribute to *Morning Report, Checkpoint* and other current affairs programmes, such as *Insight*.

IRN News and Sport is based in Auckland with around 20 full time reporters. There are news hubs at the four main centres as well as a three-person team at the Parliamentary Press Gallery. There are no agricultural specialists on the news team.

Of the three main television stations in New Zealand, TVNZ, TV3 and Prime, the first two do not provide rural news coverage on a regular basis and Prime has no national news coverage at all. The agricultural news has to be something extraordinary to make it into the nightly television news bulletins. As Dryden Spring scathingly put it about possible television coverage of the dairy-restructuring debate. “It’s far too complicated for TV!” (Spring 1999) With so much of people’s information being
garnered from television these days, this does not bode well for their knowledge of the primary industries, which underpin the nation’s economy.

**The New Zealand Media – Electronic**

A significant trend in recent years is the provision of news electronically. The major dailies, the *NZ Herald*, *The Press* and the *ODT* provide electronic versions of their publications on Internet websites, as do such publications as *TransTasman*. The *National Business Review* operated a comprehensive website until publisher Barry Coleman controversially pulled it in early 1999 because it failed to make enough money (Riordan 1999). *The Independent* is available on-line for a fee. *AgBrief* is available occasionally on the Inventas Media website. Not all stories in the print versions are published electronically and in some cases a reader can only access the Internet stories by paying a subscription fee. Both television stations carry news archives that are free to view.

There are several New Zealand websites, which are devoted exclusively to providing news electronically. Two of these of relevance are *newsroom.co.nz* and *scoop.co.nz*. Offering "one-stop access to parliamentary press releases"(Gifford 1999) both feature on the New Zealand Government official website. They provide an outlet for government and other official press releases and also some editorial comment. A minority shareholder of *Newsroom* was Alistair Thompson, a consulting editor for *Straight Furrow* during 1998 and in 1999 a part-time media relations consultant on agriculture for John Luxton. After a dispute, Thompson left *NewsRoom* and founded *Scoop* (Thompson 1999). Starting to appear, also, are Internet sites devoted specifically to news about New Zealand agriculture. One such is *farmindex.co.nz* whose general manager is ex *NZ Herald* agricultural editor, Glenys Christian.
Summary

As has been demonstrated there is a wide variety of media in a position to provide coverage of agricultural news but much of it is sparse or not for general consumption. The average urban reader relying on his or her local paper, television or commercial radio station for information about the agricultural sector and its significance to the national economy and to New Zealand society in general is not well served. Those who subscribe to business publications are slightly better off while farmers themselves are inundated with information from a wide variety of sources.

Many media observers in agricultural journalism lament the lack of comprehensive and in-depth coverage of the primary industries, especially in the mainstream media. Neville Martin, of the Dairy Board, is one of them and he has quite firm views on why this is so as far as the dairy industry is concerned.

The media aren't sufficiently interested in the dairy industry, in part, because of a strange historic mindset amongst editorial people. The dairy industry is all about farming, cows, paddocks - things which townies aren't interested in. They have failed lamentably to grasp the reality that the industry is only partly that. They have failed to grasp that it is also a gigantic marketing operation and huge manufacturing operation whose performance is of critical importance to the nation. “What do they do? They put it on the farm page. It’s a disgrace (Martin 1999).

Martin conceded that the media generally doesn’t find other businesses very “sexy” or “frightfully interesting” either. If they have a presence in the sharemarket a business is more likely to attract the interest of the financial press, at least, he added. Brian Hight, of Rural News, concurred. “The biggest industry in the country is treated like crap by the main media. It’s not sexy” (Hight 1999). Because it’s been around for years it tends to get ignored, he said.

Media Ownership – Mainstream Print

Having demonstrated the variety of media in New Zealand that could be expected to provide coverage of agricultural issues it is now necessary to consider
whether this variety means also, a variety of ownership. Of the five metropolitan dailies, three are owned by Independent Newspapers Ltd (INL) (*The Press, The Dominion and The Evening Post*), the *NZ Herald* is owned by Wilson & Horton and the *Otago Daily Times* is owned by brothers, Julian and Nicholas Smith. INL and Wilson & Horton own eight of the provincial papers each, with the remainder being independently owned. INL owns the *Sunday Star Times* and Wilson & Horton, *The Listener*. Taking into consideration the dailies, both metropolitan and provincial, and the Sunday papers, INL, with a combined circulation of 716,302, knocks Wilson & Horton's circulation of 321,910 into a cocked hat. The independents can barely muster between them a circulation of 90,000. It is clear INL is a dominating force in newspaper ownership and readership penetration.

The business publications mentioned are all independently owned. *National Business Review* by Barry Coleman's Liberty Press and *The Independent* by Pauanui Publishing, with Warren Berryman being both editor and a director of the company.

When it comes to the rural media, there are two main publishers – Rural News and NZ Rural Press. The former owns *Rural News* and *Dairying Today* and the latter owns *NZ Farmer, Straight Furrow* and *The Dairyman*. The remaining significant rural publication in the field under study is *The Dairy Exporter* owned by the New Zealand Dairy Board.

Let us now consider these major publishers in more detail. Wilson & Horton claims to be the country’s largest newspaper publisher and commercial printer and is a shareholder in private radio broadcaster, The Radio Network (Newspapers 1998). In 1998 the company saw a 2% drop in revenue and a 3% drop in operating profit in what was described in the Independent Newspapers’ annual report as “extremely difficult economic conditions.” As a result the company embarked on a drastic round of restructuring during which period staff numbers were decreased by more than 200.
Amongst those were many editorial staff, including the long serving agricultural editor, Glenys Christian. Despite the NZ Herald being the country’s largest daily newspaper the circulation has been dropping steadily since its heyday of 250,000 in 1992 (Taylor 1999). Declining circulations are a worldwide trend with newspapers, but nevertheless, the decline of NZ Herald is quite marked – around 16% since its peak. It was during 1998 that Independent Newspapers, owned by Irish media boss, Tony O’Reilly, increased its shareholding in Wilson & Horton to 100%. However the parent company was also not having an easy time of it with profit forecasts being slashed and shares falling significantly in late November 1998 (McHugh 1998). Independent Newspapers has newspaper interests in Ireland, the UK, South Africa, Mexico, Portugal and Australia, besides New Zealand (Newspapers 1998). As well the parent company has interests in the Internet, radio and cable TV.

INL’s major activities are the publishing and printing of newspapers in New Zealand and Australia, magazine publishing and magazine distribution. It also operates computer bureau services and has an investment in Sky Network Television (49.6 %). Its New Zealand divisions publish more than 80 daily, Sunday, community, suburban and weekly newspaper titles, magazines and specialist publications. INL has been associated with Rupert Murdoch’s News Limited since 1964 and the latter’s holding in INL is now around 49% (INL 1999). INL was also hit by the national slump in national advertising sales in 1998. Managing director of INL, Mike Robson, was quoted as saying that trading conditions were “probably the most difficult I have seen in 17 years of running the company” (Bloomberg 1998). The economy contracted quite markedly in 1998 as a result of the Asian crisis, bad weather affecting primary industries and also perhaps because of uncertainties generated by the increasingly shaky Coalition government.
The owners of Allied Press, publishers of the *Otago Daily Times*, the *Greymouth Evening Star*, the *Gore Ensign*, *Central Otago News*, *Southland Express* and two Dunedin suburbs are brothers Julian and Nicholas Smith. The company also had an interest in radio through Radio Otago now merged with Radio Pacific to become RadioWorks. According to editor Robyn Charteris, Allied Press is the largest New Zealand-owned newspaper company. Its flagship paper, the *Otago Daily Times*, was founded in 1861, the first daily newspaper in New Zealand (Charteris 1999). In an editorial in the *ODT* in 1998, Charteris took readers who questioned the editorial freedom of his paper to task.

The owners of this newspaper, Dunedin businessmen brothers Julian and Nick Smith, help run the company and have their offices two floors below mine,” he said. “I see them most days yet not once in my 30 years and more of working here have they told me, or my predecessors, as far as I know, what to do, how to approach any issue or which editorial stance to take (Charteris 1998).

Although magazines do not feature significantly in this thesis it is pertinent to note that New Zealand’s magazine publishing industry is unusual, in world terms, in having two of its four major publishers owned by newspaper publishing groups – Wilson & Horton and INL. The largest magazine publisher is Australian Consolidated Press NZ (ACP) and its subsidiary, Trader Group. INL Group is second largest followed by Wilson & Horton’s New Zealand Magazines and fourth, Pacific Magazines a division of PMP Communications, Australia (MPA 1999 p 48).

**Media Ownership – Specialist Print**

In the field of agricultural publications there are two main publishing groups. One is an independent, wholly owned New Zealand company, Rural News and the other is NZ Rural Press, a subsidiary of Rural Press Australia. The owner of Rural News is Brian Hight who has been in rural publishing since 1974. The Fairfax brothers, John and
Tim are major shareholders in Rural Press Australia, which they bought into in the late 80s. They have since built it into one of the largest media stocks on the Australian sharemarket (Staff 1999). For 60 years Rural Press was a one-publication business but that changed in the 1980s when it began to buy up numerous publications in the fragmented rural newspaper industry in Australia and New Zealand and later in the US. It now has 85 newspapers, magazines and specialty publications in those three countries. (Rennie 1998).

At the time Brian Hight established *Farm Equipment News* (FEN) in 1974 there were several independently owned rural publications, most of them subscription based. *Farm Equipment News* was to be a new type of free publication, carrying advertisements and information about farm machinery and other farm products of interest to farmers. This was delivered free to farmers through the rural delivery service. Hight claimed this move signalled the decline of the subscription based rural publications in the 1980s and also saw some of the dailies strengthening their rural pages for a time. In 1985 Hight sold *Farm Equipment News* to NZ News which was then part of Brierleys. The latter went into a 50/50 joint venture with Rural Press Australia with *Farm Equipment News*, the *NZ Farmer* and the *Journal of Agriculture*. Eventually Brierleys got out of publishing and left the field to Rural Press. Brian Hight believed that Rural Press wanted to make the *NZ Farmer* the New Zealand equivalent of *The Land* and drew resources away from the freebie *Farm Equipment News* to achieve that. John McClintock, currently the president of the Magazine Publishers Association, but who was the formation general manager of NZ Rural Press confirmed this. McClintock was told by the new Australian bosses to disabuse himself of the culture of free publications inherited from Brian Hight’s Product Publications Ltd and concentrate on building up the agricultural titles as subscription publications (McClintock 1999).

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7 *The Land* launched in 1911
Hight was approached to start up another free paper to compete against his old publication and in 1988 he established *Rural News*. He has since added to his stable of rural titles, buying *Dairying Today* in 1998 and starting *Arable Farmer* from scratch.\(^8\) Hight acknowledged that competition between the two rural publishing groups had been cutthroat at times especially in latter years. “The advertising dollars have dried up a lot in the last two years,” he said in June 1999. "I think it's actually worse than 1987” (Hight 1999). The pool of possible advertisers in the rural sector has contracted not just because of the impact of economic conditions but also because of amalgamations of companies such as tractor and animal health companies. *Rural News* has survived because it has improved its market share over its rival, said Hight.

In the last two years we have really consolidated and really grown and are now the major publication based on readership last year and the major publication as far as advertising support goes as well (Hight 1999).

This has not been without public controversy as noted by *The Independent* in May and October 1998. It reported on a clash between five rural publishers led by Hight and Rural Press over a rural readership survey (Heeringa 1998; McManus 1998). Depending on which survey one reads either *Rural News* topped the farm magazine readership with 86.2% (Colmar Brunton) or *Farm Equipment News* did with 85% (AC Nielsen).

*The New Zealand Dairy Exporter* is the official journal of the New Zealand Dairy Board and it celebrated its 75\(^{th}\) anniversary in 1999. Considered the dairy farmers’ *Bible* by many in the industry the A4 magazine was the leading publication in the dairy industry with 88.2% of the market according to the Colmar Brunton farm magazine readership survey. According to AC Nielsen, however, with 88% it was second equal

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\(^8\) Until 1999 he also owned *Food Business*, a national trade publication covering the food industry, including milk processing and manufacturing.
with *Rural News* to *Farm Equipment News* on 91% (McManus 1998). The magazine runs anything from 60 to 150 pages of information. Editor since 1996, Lance McEldowney said that the magazine has distanced itself physically from the Dairy Board in order to be more independent. Previously the magazine’s journalists sat in on Dairy Board meetings but this created a conflict over editorial independence. When the magazine had the chance of being situated in the Dairy Board’s head office at Pastoral House, McEldowney declined and took other offices in Wellington.

> It was important psychologically. Board executives tended to think you were at their beck and call and they didn’t see the importance of us being an independent force (McEldowney 1999).

Brian Hight believed farmers were now getting more choice in their news than they ever were in this competitive media environment but contended it was the specialist publications such as his that were the ones generating the stories. The mainstream media are not actively chasing the news in agriculture, he said. Hight is very proud that *Rural News* is the only publication that he knows of that is independent, tackles news using its own journalists, does investigative journalism, chases the issues, and is funded by advertising alone. It is like saying that advertising alone funds *NBR* or *The Independent*. “It couldn't happen. But it is with *Rural News* (Hight 1999).

**Media Ownership – Radio**

The radio market in New Zealand is claimed to be the most competitive in the world. According to Julie Hall, radio research manager at Research International, with 188 radio stations, New Zealand has more per capita than any other country (Sarney 1998). The market involves a number of players across the whole spectrum of ownership from fully commercial to independent (university and regional stations), to non-commercial and access radio (Radio New Zealand, community access stations, iwi stations). There are three major commercial players in the New Zealand radio market.
The largest grouping is The Radio Network which is estimated to have a market share of around 51% (Simpson 1999 p 27). It was in April 1996 that the privatised Radio New Zealand commercial network was sold to three companies closely associated with Irish magnate, Tony O’Reilly. The purchaser was New Zealand Radio Network. That company then obtained approval to buy a further radio network, Prospect. In this grouping was the Independent Radio News (IRN) which replaced Radio New Zealand News as The Radio Network’s supplier of news services. The ownership of The Radio Network has since changed. As at April 1996 Wilson and Horton, Australian Provincial Newspapers Holdings (APN), and Clear Channel Communications (CCC) owned a third each. Now APN, which is 34% owned by Independent Newspapers (Newspapers 1998) owns two thirds of The Radio Network (TRN). TRN also owns The Radio Bureau which places about 85% of national radio advertising (Ruth 1999).

The merger of Radio Pacific and Radio Otago in 1999 created the second largest radio group with a 28% market share. The newly formed and publicly listed group is now called RadioWorks New Zealand. Radio Otago began in 1971 and since then had become a major owner and operator of South Island stations (Simpson 1999). Radio Pacific, chaired by long time broadcaster Derek Lowe (who is now chair of the new company), started transmitting in 1979 and had more than 80 radio frequencies throughout New Zealand. Investors in RadioWorks include New Zealand Funds Management (9.52%) and Spicers Portfolio Management (14.2%)(Ruth 1999).

Canwest’s Global Radio-More FM is the third largest of the commercial radio companies with a market share of 16% (Ruth 1999 p 30). More FM, Channel Z and Breeze stations, were bought by Canwest’s Global Radio NZ, during the second half of 1997 (Spectrum.net 1998).
Media Ownership – Television

Like radio, television ownership in New Zealand is a mix of independent, state owned and fully commercial. TVNZ is a state owned enterprise, which owns Television One and TV2. CanWest Global Communications of Canada owns TV3 and TV4. Prime Television New Zealand is a subsidiary of Prime Television, an Australian based company that operates a number of stations affiliated to Australia’s Seven Network.

Until 1988 when extensive deregulation of the television market in New Zealand allowed the entry of competitors in both free-to-air and pay TV, TVNZ had a monopoly over television broadcasting. Today it is considered "a fully commercial broadcaster" and "profit motivated" since it became a state-owned enterprise in 1988. This is the view of Ord Minnett, which carried out a scoping report on TVNZ in May 1998 at the request of Treasury. Ord Minnett did not see TVNZ as a public service broadcaster in the mould of the BBC or ABC. This view is currently being debated after the new Labour government signalled a possible change of direction for the broadcaster in early 2000.

Advertising began within weeks of the first television broadcasts in this country and has been the principal source of revenue for over 20 years (Minnett 1998). It was concern over falling revenues\(^9\) that prompted the National government in November 1997 to call for an investigation into the Crown's ownership interests in TVNZ with a possible view to sale.

TVNZ’s television division profitability is below that of comparable Australasian broadcasters. TVNZ intends to significantly improve its earnings over the next three years (Minnett 1998).

\(^9\) The main factor behind this report appeared to be a dramatic fall - 50% - in TVNZ's net profit after tax in 1997.
The result was the Ord Minnett report commissioned by Treasury. Ominously, Ord Minnett reported that TVNZ’s in-house production of news and current affairs:

represents a significant cost that TVNZ intends to reduce. As a consequence, the extent and nature of TV 1’s news and current affairs programme is likely to change over time (Minnett 1998).

Competition from other broadcasters all of whom have an ownership association with other major global television networks is placing increasing pressure on TVNZ. One of the consequences has been cost cutting in the newsroom. However, cost cutting is not exclusive to TVNZ. CanWest, TVNZ's principal rival in the field of news and current events has not been having an easy time of it in New Zealand either.

CanWest Global Communications is an international media company. In Canada, CanWest owns and operates the Global Television Network and Global Prime Cable Network, as well as CanWest Entertainment, its production and distribution division. Internationally, besides owning and operating New Zealand's TV3 and TV4 Television Networks and the More FM Radio Network, CanWest also owns and operates the London based CanWest Entertainment International. The company has other investments in Canada's WIC Western International Communications, in Australia's TEN Television Network, the Republic of Ireland's new TV3 Television Network, and Northern Ireland's Ulster Television. The company also has an Internet division, CanWest Interactive.

CanWest initially entered the market in New Zealand in 1991 when it acquired a 20% interest in TV3. In November 1997, CanWest increased its stake in TV3 to 100% and in June 1997, launched TV4 as a complementary national broadcaster (http://www.canwestglobal.com/ 1999). In its annual report CanWest stated that the fiscal year 1999:

was one of the most challenging years for TV3 since CanWest entered the market. The lingering effects of a national recession in 1998 caused an overall contraction of the national advertising market. It is beginning to
show signs of reversing. Revenue in 1999 was significantly affected by a weakened economy and a contracting advertising market. Total television revenues declined by NZ $20 million or 18% from the previous year (http://www.canwestglobal.com/ 1999).

CanWest has high hopes that the sporting rights deal TV3 signed in late 1999 with pay TV operator Sky TV "will make the network New Zealand's leading free-to-air sports broadcaster" and presumably recoup some of those lost millions.

Summary

New Zealand print media likely to be interested in agricultural or dairying issues has a variety of ownership – ranging from one man bands to large overseas conglomerates. However, many media observers have become concerned at the increasing dominance of the two major publishing groups on the local newspaper industry. One of these is Tony Wilton, the national industrial officer of the Engineering, Printing and Manufacturing Union - the union, which represents print journalists. Speaking on World Press Freedom Day on May 3, 1999 Wilton claimed that newspaper owners are becoming the biggest threat to press freedom in New Zealand (NZPA 1999). He said that market domination had left newspaper owners free to lower the quality of newspapers without fear of competition. Mike Robson, managing director of INL and president of the Newspaper Publishers Association refuted this view. Despite the reach of the two major companies within the newspaper industry, there was still intense and increasing competition from television, radio, magazines and the Internet both for readers and advertisers, he was reported as saying (NZPA 1999).

An underlying concern for all media is the impact of commercial imperatives on the ability of journalists to do their jobs properly. 1998 was a particularly bad year for all media financially. The print media suffered falling circulations and readerships, television companies recorded drops in profit, public radio struggled with financial constraints and the economic downturn impacted heavily on the specialist agricultural publications. This was often reflected in editorial newsrooms where staff was laid off or departing staff not replaced. If editorial rooms are under resourced, not only does staff not have the time to undertake investigative reporting, that same staff is often comprised of overworked junior reporters who have little knowledge of complex agricultural issues. As well, the space available to carry editorial is also constrained because of the lack of advertising. Most agricultural advertising goes to the specialist
rural media. If the mainstream media do not get this advertising to support the agricultural editorial there tends to be no editorial.

**New Zealand’s Agricultural Journalists**

So who are the people reporting on the nation’s biggest business? Whether they are working in the mainstream print or broadcast media or in rural publications, many of these journalists are some of the most experienced. There are many examples. They include long-serving rural editors such as John Stirling (*ODT*), Heather Chalmers (*The Press*)\(^{10}\), Glenys Christian (*NZ Herald*)\(^{11}\), Kevin Ikin (RNZ), Philippa Stevenson, (ex *Rural News, NZ Herald*), Erica Rawlings (*Dairying Today*), Lance McEldowney (*Dairy Exporter*), Hugh Stringleman (*The Dairyman*) and Tony Leggett (*Country-Wide*). They also include journalists such as Hugh de Lacy (*MG Business*), Kent Atkinson (NZPA), and Bob Edlin (*The Independent/Rural News*) to name some of them.

Glenys Christian is one such example of a journalist covering agriculture in New Zealand. She has had a long involvement in journalism but started her agricultural journalism at *Straight Furrow* in 1981. She moved through the ranks to become editor before leaving in 1988 to become agricultural editor for the *NZ Herald*. As well she served for two years as the president of the Guild of Agricultural Journalists. In early 1999 she was made redundant from the *NZ Herald* along with 26 other editorial staff in cost cutting measures and she has since become news editor then general manager for *Farmindex* – the on-line agricultural publisher (Christian 1999)

Philippa Stevenson is another example of the depth of experience of agricultural journalists. She has been a reporter for 20 years, 12 of them spent in agriculture. She started in agriculture at the *Waikato Times* eventually becoming agricultural editor Then she spent a year with *NZ Farmer* before taking up the editorship of another rural paper,

\(^{10}\) Made redundant in late 1999.  
\(^{11}\) Made redundant in early 1999.
the now defunct, *National Farming News*. After several tough years for advertising based publications in the late 80s, *National Farming News* folded and Stevenson freelanced for three years for all the agricultural papers and even did a stint as a rural reporter for Radio New Zealand. She was the editor of *Rural News* for two years. As well she fronted an agricultural programme on local TV - Coast to Coast Waikato. In 1996 she joined the *NZ Herald* as Hamilton bureau chief and in January 1999 became agricultural editor. (Stevenson 1999).

Other examples of experienced journalists can be seen in Kent Atkinson, of the New Zealand Press Association (NZPA) who has covered issues in primary production since 1984. Erica Rawlings worked on the *Otago Southland Farmer, Waikato Times, NZ Farmer*, and *The Dairyman* before becoming editor of the latter. She joined the company Rural News in February 1998 and currently edits *Dairying Today* and writes for *Rural News*. Hugh de Lacy has been in journalism for more than 30 years with his agricultural journalism starting on the *NZ Farmer*, and extending to the *Journal of Agriculture*, which he was eventually to edit when Rural Press bought it. He now freelances and writes the fortnightly agribusiness column in *MG Business* (Lacy 1999). Kevin Ikin, as mentioned previously, has been a rural radio journalist for 13 years. Bob Edlin has written on economics and/or politics and agribusiness since 1990 for numerous publications. He has been the editor of *NZ Truth, National Business Review, New Zealand Newspapers’ News Bureau*, and was acting editor for a while for *The Listener* (Edlin 1999).

This is just a brief sketch of the backgrounds of some of the journalists who are currently involved in writing about agriculture to demonstrate their experience and knowledge of the industry. Many of them have been recipients of Guild of Agricultural Journalism awards, the latest winners being Catherine Harris, of RNZ Rural Unit (1999 Rongo Award for journalistic excellence) and Tony Leggett, the editor of *Countrywide* (1999 Landcorp Communicator of the Year). What nearly all of the
Communicating Agriculture

journalists demonstrate is what might be called an “institutional knowledge” of farming and the New Zealand agricultural industry gained over many years of covering the sector. With the downturn in the ‘80s seeing many an agricultural paper fold, those journalists that have survived have done so because of their professionalism and expertise.

Despite this pool of experienced journalists however, they are heavily weighted toward the specialist print media and national radio. Neither television nor independent radio have specialist agribusiness reporters and neither do most of the dailies. They may have farming editors but these are somewhat different from journalists who are well versed in farming politics. This means that agribusiness stories are often handled by general, often very junior, reporters. As noted by such people as Hugh de Lacy and Philippa Stevenson, the agricultural round in the mainstream media is often given to the most junior or lowest rung reporters. The experienced journalists wince at the obvious ignorance of a lot of their less experienced colleagues. Neville Martin, of the Dairy Board is one who has noted the decline in standards of much agricultural reporting and believes it could be a lot better. Martin believed the problem is the refusal of publishers to pay journalists enough.

Newsrooms tend to be stocked with overworked young tenderfoots who have not had time to become expert in their areas, to ask the intelligent questions, to be able to sift the wheat from chaff and to sort out people like me. “They are not asking the hard questions. They just accept the official line. They haven't got time to do more. Nothing happens. They don't ring you. They don't chase you. They tend to print word for word what you say (Martin 1999).

Martin also lamented the lack of routine follow-ups. “I don't get follow ups any more. They used to keep me on the ball,” he said.

Again rural publisher Brian Hight has backed up Martin’s comments. He sees far too much straight printing of press releases and no investigative reporting. He believed spending money to obtain quality journalists resulted in quality journalism. And he argued that “arrogant companies” who resent journalistic probing must not put off journalists. Hight claimed that Rural News was the first paper to tackle real farming issues editorially and when it did it met huge resistance from the likes of the Dairy Board, the dairy co-operatives, the Meat Board and so on.
No one was really digging about what they were doing and getting the other side of the story. Up until then the only story that was out there was what they released (Hight 1999).

Hight contended that no other paper has really followed *Rural News’* lead in this investigative style reporting on agricultural issues. He acknowledged that initially his paper gained the reputation usually attributed to tabloids. “We probably deliberately went that way,” he said, “with the big headlines in large type.” Then in 1991 he repositioned *Rural News* to have a more investigative focus editorially. That tabloid label has now been lost, said Hight. *Rural News* is currently “regarded by many as effectively being the only dedicated agricultural paper that really looks at the news” (Hight 1999).

Someone who has had a close connection with agricultural journalism in the past few years has been Jim Tully, the head of the Canterbury University School of Journalism. Tully has been the judge of the annual Guild of Agricultural Journalists and Communicators’ Rongo award for journalism excellence. In his comments to the 1999 awards he said it was a pleasure to be a judge because “specialist journalists generally write with authority and convey enthusiasm for their subject.”

There’s an expectation of highly competent information gathering, the provision of essential context, an understanding of the wider picture of which any story is but a fragment((Tully 1999 p 2)

Tully noted that reporting issues is more difficult than reporting events.

It is not enough to merely inform: analysis, explanation and interpretation are essential. This should be the domain of the specialist journalist (Tully 1999 p 2).

His main criticism of the agricultural journalists was in the quality of writing and urged them to be more imaginative in their story telling, especially those writing feature and longer form broadcast work. In his comments on the 1998 awards he noted again the importance of specialist journalists in a year when agriculture-related stories became front-page news.

I have no doubt that general reporters would have filed inferior coverage: they would have lacked both the specialist knowledge required to do justice to the stories and the contacts essential for good information gathering (Tully 1998).
Another strength he noted was the continuity of coverage. In 1997 he commented:

A strength of agricultural journalists, generally, is a commitment to developing stories over a period of weeks, even months, if appropriate, rather than letting the subject die after an initial burst – a failure evident in much daily journalism (Tully 1997).

Summary

There is a dichotomy apparent in the coverage of agricultural news. On the one hand there is a pool of experienced and knowledgeable journalists available to write about the primary industries and on the other a pool of young, green, cheap "tenderfeet" who are also being used to provide coverage. These latter are unlikely to have the knowledge of the industry required to provide in depth analysis and interpretation. However, if the newspapers do not provide the pages in which agricultural matters can be discussed, then even the journalists with the knowledge and experience are being underutilised. With many papers giving little space to things agricultural and with many other farming papers going under or being merged with rivals, the opportunities for expert coverage of farming matters get less and less.

Media Organisations – Owners

While individual members of society belong to groups, it is not uncommon for organisations to form associations as well. For newspaper publishers, for example, there is the Newspaper Publishers Association of New Zealand and for magazine publishers, the Magazine Publishers Association of New Zealand. The NPA, which celebrated its centenary in 1998, is the trade association of the New Zealand newspaper industry. All paid daily and Sunday newspapers (31) are members. According to the NPA 1999/2000 booklet

under the guidance of an elected board of control, the association advises members and co-ordinates their interests in areas such as government affairs, advertising standards, employee relations and human resource management, sponsorship, newsprint purchase and supply (NPA 1999 p 7).

As well the association liaises with a wide variety of other organisations and institutions, which impact upon the newspaper industry, and also represents the industry generally to the public and to the state, if necessary.
There are several other bodies to which newspaper publishers or those involved in the media industry can belong. The Newspaper Advertising Bureau is the marketing arm of the daily newspaper industry. The Commonwealth Press Union – New Zealand Section, is a member of a commonwealth wide organisation of editors, journalists and publishers with an interest in press freedom matters. The New Zealand Audit Bureau of Circulation was established in 1966 as a co-operative body to provide accurate and up-to-date circulation figures. Other pan-industry bodies include the Advertising Standards Authority (ASA), formed in 1973 and incorporated in 1990. It is a media wide organisation whose membership voluntarily abides with decisions of the Advertising Standards Complaints Board. The New Zealand Press Council, established in 1972, is a non-statutory body, which adjudicates on complaints made against the editorial content of all daily, Sunday, and community newspapers and some magazines throughout the country. As well the industry supports the Printing and Allied Industries Training Council, the New Zealand Journalists Training Organisation, the Print Media Accreditation Authority (PMAA) and the Joint Industry Committee for National Readership Research (JICNaR) (NPA 1999 p 9-15: MPA, 1999 #1226 p 54).

The Radio Broadcasters Association (RBA) is an incorporated society, which was established in 1971 (originally called the Federation of Independent Commercial Broadcasters and most recently the Independent Broadcasters Association) to represent the interests of the private radio industry. It now represents full time commercial radio stations, AM and FM, plus certain semi and non-commercial stations (Radio Rhema). The basic aim of the RBA is to promote and encourage the development of commercial radio stations (RBA 1999). In May 1999 a new radio broadcasting group was established aimed at protecting the interests of independent radio companies and developing privately owned provincial radio (Strip 1999). The Independent Broadcast Group (IBG) is not intended as a threat to the Radio Broadcasters Association (RBA), according to coординator Brent Birchfield and its interests will be represented on the RBA board. However, it wanted to place greater focus on the concerns and requirements of small provincial radio operators than was currently being provided via the RBA.

The New Zealand Television Broadcasters Council established in 1998 comprises TVNZ, TV3 and Prime Television and aims to represent the interests of free to air TV broadcasters.
Media Organisations - Journalists

The most significant group to which print journalists can belong is the Engineering, Print and Manufacturing Union. The amalgamation by which journalists became part of the EPMU took place in March 1996, one year after Jagpro had amalgamated with the Printers Union (Wilton 1999). Tony Wilton, a solicitor and national industrial officer with the EPMU, was previously the national secretary of the Journalists Union (later Jagpro). He said that there are about 1000 journalist members of the union. “Don't let the name fool you,” said Bill Southworth, the executive director of the JTO. “As employers can attest, that's the biggest private sector union grouping in the country and very professional” (Southworth 1999). Some television and radio journalists are members of this union but most are still in the PSA. “Contracts have broken down membership power in television but not Radio New Zealand,” said Southworth. The major benefit of belonging to the EPMU is probably accreditation through the Press Card.

This does not of itself confer any right of entry, etc. It is solely a means of identifying the holder as a bona fide news gatherer, with the weight of the union behind its reliability. Its value is its familiarity to those organisations (e.g., police, fire, ambulance, government departments) which deal with journalists regularly, and the fact that the union is in effect vouching for them (Wilton 1999).

The Press Card therefore confers legitimacy on the holder something for which other, non-accredited journalists must strive in other ways.

Besides belonging to the EPMU, agricultural journalists can join the Guild of Agricultural Journalists and Communicators. The Guild was established in the late 1950s to further the interests of agricultural journalists and others involved in agricultural communication. Members include journalists, broadcasters, editors, publishers, PR executives, photographers, government employees and people who work in agribusiness and politics. The Guild is not open to organisations and acceptance as a member is at the discretion of the Guild executive. Like the EPMU, the Guild issues a personalised Press Card annually (Communicators 1999).

What this portion of the chapter has demonstrated is that whether one is a journalist or a media owner the pluralist contention holds good that individuals in society belong to groups whose membership can overlap. Media organisations belong to other, broader organisations, journalists belong to unions and to groupings that also include owners, advertisers or other public communicators. It also demonstrates that not
all organisations are equal - some are larger and more powerful than others are. However, in the Governor Model, other forces should be at work to ensure that all those who want to have a voice are heard.

**Conclusion**

New Zealand, on the surface appears to have a very active and competitive media market both generally and in agriculture in particular. While there are major publishers, which tend to dominate in the daily newspaper market, there are other independent publishers who are capable of offering a different perspective. Whether they do or not will be examined in later chapters. There seem to be grounds for supposing that the principles of the Governor Model of pluralism are in place - with a variety of media types, ownerships and, therefore, voices to be heard.

Media organisations are part of society and have two roles to fulfill - the public good one of informing the public and the other a commercial one, of making a profit for owners and shareholders. The tension between the two was starkly apparent in 1998. The drive to be commercially viable had direct implications for editorial newsrooms and therefore on the quality of the editorial. The recession of 1988 clearly had an impact with cost cutting, staff layoffs and restructuring commonplace throughout the different media. A decline in advertising revenue also impacted on the amount of space made available in the media for all news, let alone that pertaining to agriculture. Many observers complain about the lamentable coverage of agriculture in the mainstream media. Part of the task of this thesis is to discover, under such circumstances, just how agricultural news fared in 1998.

Whether or not the pluralist requirements of a multiplicity of media and a multiplicity of ownership were met, even at a most basic level, there is still the question of content. Given that New Zealand is a stable, middle class society on the whole, it is probably not surprising that the media largely reflect this. It would be fair to say that most media in New Zealand reflect a centre right or centre left view of society with few media at either extreme. Diversity of voices could therefore be seen as limited. As a small country, and with a bias toward the centre there is more pressure to attain consensus and maintain the status quo. All this gives the media a general air of conformity. There is not much room for the outspoken or radical except as a curiosity! The outcome of this may be a New Zealand media that tends to speak with the same voice on most matters, whether agricultural or general. This will be tested in the final chapters when the thesis considers three months of reporting on the dairy industry
debate of 1998. It will be the task of later chapters to examine what the standard and quality of the content is of selected media in relation to the dairy industry-restructuring debate of 1998.

Finally, as has been demonstrated, media organisations, like individuals, can belong to groups and memberships overlap. While competitive with each other, they can nevertheless work together for common ends for the benefit of their whole industry. The same is true of journalists. While they may be extremely competitive and strive to be first with the news, they can also seek consensus in their union or guild for the benefit of the total membership. The whole media industry can also come together on such matters as press freedom and ethics, industry training and other such pan-media concerns.

This chapter has focussed on the first of the three key elements in the Governor Model of pluralism - the media as it relates to coverage of agricultural news. It has demonstrated that the basic components of media pluralism are evident although there are already hints that there are factors present which could lead to an unbalanced Governor Model. However, it will not be until the other two elements - the state and the interest groups - are examined in the light of the 1998 dairy industry policymaking that a conclusion can be drawn on whether the Governor Model was in or out of balance in this instance. Our focus now turns to the second of the three elements of the Governor Model - in a study of those groups with an interest in dairy industry policymaking during 1997-1998.

Endnotes


Chapter Four

Interest Groups and the Dairy Industry - Setting the Scene

Introduction

1998 was a fateful year for dairy farming in New Zealand. A government announcement in the May Budget by Coalition Treasurer Winston Peters (Peters 1998) that the Dairy Board and other producer boards should prepare proposals for deregulation was the culmination of a process started in 1984 with the removal of agricultural subsidies. Despite a relative 14-year lull after the removal of subsidies, and a change in government the process of “rolling back the state” in agriculture looked set to reach final fruition. While the fourth Labour government had imposed change on agriculture in line with its free market, monetarist philosophy it had done so with the support of one of the main farming interest groups, Federated Farmers (Kelsey 1995 p 78). In 1998, the Coalition government appeared ready to impose further radical change on agriculture with its proposal to deregulate all producer boards. To set the government announcement in context and before looking at it in detail, a brief background to the dairy industry and dairy industry interest groups will be undertaken. Dairy farmers as members of groups will be considered as will other groups that believe they have something to contribute to dairy industry policymaking. Thus will the scene be set for examining the relationship between these groups, the state and the media when considering the Winston Peters’ proposal of May 1998.

The New Zealand Dairy Farmer

Farmers have always claimed that they are the backbone of the country and despite efforts over the years to widen the base of the country’s prosperity, agriculture remains the nation’s most significant income provider. And within the primary sector, dairying is a standout performer. In the 1998/99 season, for example, around 14,700
dairy farmers and 5200 sharemilkers or around .5% of the population provided the raw product, 849 million kgs of milksolids, which, after manufacture and export, earned the country nearly $5 billion or 23% of total export earnings (Board 1999). A twist to this is that while the New Zealand dairy industry is only a minor producer of milk in world terms it is a major exporter. More than 90% of dairy production is exported and New Zealand is first in butter exports, and second in spray milk powder and cheese (Nixon 1998 p 87). “The health of the dairy industry is crucial to the well-being of every New Zealander,” said Bill Birch, Treasurer, in January 1999 (Birch 1999). Since 1984 dairy farming and farming in general has operated on the international stage without the support of subsidies. Ralph Lattimore and Richard Amor believed that agricultural subsidies prior to that date tended to favour sheep production over dairying.

When these interventions were largely removed unilaterally, the competitiveness of the dairy sector improved through new investment and improved human skills (Lattimore and Amor 1998).

The last 20 years, however, have seen a steady decline in the number of dairy farmers – currently 14,700 (16,000 in 1980). Concomitant with that there has been a steady increase in the average herd size - now 220 cows (126 in 1980). Overall, there are now almost as many dairy cows as there are people in New Zealand and the dairy herd is projected to expand at a rate of 2.5% per year (MAF 1999).

The interesting thing about these statistics is the ratio of these numbers - one cow per person. That is very significant ratio. It shows two things. It shows the importance of the dairy industry within the New Zealand economy and it shows the degree to which it is crucially important for the industry to remain highly competitive internationally commented Lattimore and Amor in their report, World Dairy Policy and New Zealand (Lattimore and Amor 1998). It also highlights just how dependent New Zealand is on current world commodity prices for good returns for the dairy industry. Combine low world prices for dairy products, the collapse of economies in crucial markets and floods or droughts at home affecting production and the scene is set for a difficult year. This was the case in 1998.

The average size of a dairy farm is now 87 hectares (63 in 1980) and the average volume of milksolids per farm is 22,000 (11 000 in 1980) (Martin 1999). These
statistics highlight two points. The first indicates that the days of the small family farm appear to be numbered despite these farmers being more efficient producers per hectare than their larger counterparts (MAF 1997). A decline in land value of these smaller dairy units also reflects their reduced economic viability. To achieve better productivity and greater income, farms are amalgamating and so many family farmers are exiting the business (MAF 1995). Already some commentators are predicting that within ten years, corporate farmers will be the main players on the New Zealand agricultural scene and current "family farms" will become "part time lifestyle farms", requiring significant off-farm income (Walker and Morris 1996).

The second point is that the increase in farm productivity is being achieved by a combination of an increase in stocking rates, improved cow and pasture quality and better management techniques. This has seen productivity increase between 1972/73 and 1994/95 by 74% per hectare (MAF 1995). Despite all this, farm incomes have continued to erode. Farmers have been working harder to stand still. Research by the National Bank’s rural economist, Kevin Wilson, found that since 1995-96 both dairy farms and sheep and beef properties have come nowhere near meeting their cost of capital (Fallow 1999). The rapid increase in dairy farm land prices over the past few years, combined with a rising cost structure and shrinking product prices in real terms, has led to shrinking returns for farm owners (MAF 1996). Dairy company payouts for milksolids (in real terms) are currently significantly lower than was the case in 1950/51 and 1960/61 (MAF 1999). Gross dairy farm incomes however have been trending up since 1990/91. These increases in total revenue have resulted largely from an expansion in farm and herd size. Total farm expenses and farm profit before tax have also risen strongly in percentage terms, but with profit growing at a slower rate than the increases in expenditure. Many farmers are relying on off-farm income to keep going. For factory
supply dairy farmers, net off-farm income now represents almost 18% of total (before tax) profit up from 15% in 1990/91 (MAF 1999).

**The Corporate Dairy Farmer**

The future of dairy farming may look something like Tasman Agriculture, the country’s largest dairy farm owner and supplier. This corporate farmer, which was first listed on the New Zealand stock exchange in 1992, owns and operates farms throughout New Zealand and Tasmania (Service 1999). Between 1988 and 1998 the company successfully converted 58 properties from sheep and cattle to dairy units. By 1998 it was share farming 69 properties in Canterbury, Otago and Southland, and 23 in Tasmania. In New Zealand in the 1997-98 season Tasman Agriculture farms were budgeted to milk 34,554 cows on 12,170 hectares and produce about 12 million kilograms of milksolids (Co-operative 1998). As at February 2000 it had 96 farms in New Zealand and Tasmania and effective hectares of 19,581 (NZPA 2000). In August 1999, Brierley Investments increased its stake in Tasman to 66.2% from 63.7% (Online 1999). This is significant given the changes being considered in the dairy industry, with the possible corporatisation of the Dairy Board, and its ownership by a single large dairy cooperative. Under the proposal, ownership will be limited to dairy farmers.

Tasman (and hence Brierley Investments, which has been increasing its shareholding in Tasman during 1999) may well become the largest single shareholder, and be in a position to purchase other shares, gaining effective control of New Zealand’s largest, and arguably most important, exporter (Commission 1999).

Brierleys itself has significant overseas owners. However, Tasman is not the only large-scale dairy farmer. The Cleary family of Ireland, through Athlumney Farms, for example, has been given permission by the Overseas Investment Commission to buy around 1370 hectares in Southland for dairy conversion, as well as some land in the Waikato (Commission 1999).
Sharemilkers

Besides the dairy farmer owners, the other significant contributors to the New Zealand dairy industry are sharemilkers. They number around 5200 (Stevenson 1999). The most common sharemilking agreement is 50%, (3500) which roughly means the sharemilker provides the herd, does the work on the farm and takes 50% of the income. The other 1700 sharemilkers have variable order contracts and these are on the rise, according to MAF, largely because of a decline in contract milkers (MAF 1996). The sharemilking system is unique to New Zealand. “It has provided a ladder to farm ownership for many New Zealanders in the past” (MAF 1996). It allows farm owners to discontinue milking while retaining an interest in their farm, and still deriving a revenue from it. Sharemilkers have also benefited through being able to build capital, in the form of a herd of cows, toward farm ownership, their traditional goal. The number of sharemilkers has been fluctuating but with a general trend downwards. In the 1994/95 season the number was 4,932 compared with 6,325 in the 1972/73-season (MAF 1996). Information obtained by MAF in its 1996 Review of Sharemilking revealed that existing dairy farmers were buying 83% of the dairy land being traded. First time farm buyers, usually sharemilkers, who in 1973, purchased 36% of all dairy farm land traded, in 1995, bought only 10% (MAF 1996). It is becoming increasingly difficult for sharemilkers to raise the capital required for first farm investment, especially as farms continue to increase in size and the value of their herds declines. In the future, increased farm size is likely to result in fewer sharemilking jobs being available. This will result in increased competition for positions. However, as MAF noted, a decline in farm values would have some positive flow on effects. It would allow more sharemilkers to purchase their first property. “This ensures a continuation in the progression from sharemilker to owner which is important for the sharemilking industry to survive” (MAF 1997).
Co-operative Dairy Companies

Currently there are nine manufacturing co-operatives, which are owned by dairy farmers. Ten years earlier there were 16 (Staff 1990). Amalgamations have been a feature of the industry since the turn of the century, especially in the North Island where the majority of dairy farming is carried out. An example of the rate of amalgamations in dairy companies occurred during the year ended May 1999. Southland Dairy Co-op and Alpine Dairy Co-op merged to form South Island Dairy Co-op, (SIDCO) which was in turn taken over by NZ Dairy Group. During the same period Kiwi Co-op Dairies was the successor to the supply of South Island Dairy Farmers. (Board 1999). By far the largest of the co-operatives is now NZ Dairy Group based in Hamilton. With the merger with SIDCO, the company effectively holds 58.2% of the shares in the Dairy Board. The second largest company is Kiwi Co-op Dairies based in Taranaki, which will increase its shareholding to 36% if current negotiations to merge with Northland Co-op Dairy proceed. It can be seen immediately that North Island dairy farmers have more say in the industry than their southern colleagues. As could be expected from such large corporate entities both Kiwi and NZ Dairy Group have extensive communications departments, and have a strong presence on the Internet. The remaining small dairy companies, cannot hope to match the power of the "big two" companies as far as such resources are concerned but they can be a match for them as far as returns to their farmer shareholders are concerned. One of the smallest co-operatives - Tatua - consistently returns the highest payouts to its suppliers.

12 Variable order contracts include contracts for less than 50%
The New Zealand Dairy Board

While dairy farmers own the co-operative dairy companies, the dairy companies, in turn, own the marketing arm of the industry, the New Zealand Dairy Board. The board was listed as the country's largest company in Management magazine's 1997 Top 200 New Zealand Companies index. It moved into the top place after increasing total turnover by more than 15% in 1996-97 and as a result of changes to the structure of Fletcher Challenge (NZDB 1997). Not only was the board New Zealand's single largest export earner it had become New Zealand's largest company with more than 80 subsidiary and associate companies worldwide and a staff of 6500. On the Fortune 500 list of US companies the board, in 1997, would have rated number 362, larger than Reebok, Estee Lauder and toy maker Mattel, but still smaller than one of its major competitors Nestle, which had global sales of around $US42 billion. A decade ago the dairy industry was earning 13.9% of New Zealand's export income; today that figure is over 23%. And the percentage of the international dairy market captured by the Board has increased from 20% to 33% in the same period (Board 1999).

The Dairy Board has a statutory monopoly over the export of dairy products from New Zealand under section 14 of the Dairy Board Act 1961. This monopoly position established by fiat of the government has a long history and dates back to 1935 when a Labour government redesigned the structure of the dairy industry “in effect, nationalising the marketing of dairy products” (Nixon 1998 p 90). In 1936 the government made itself the sole marketer of agricultural products, even establishing a department to carry out the task. About ten years later one of the forerunners to the current Dairy Board, the Dairy Products Marketing Commission took control and the close relationship between the state and the dairy industry continued. The Act of 1961 established the board as it is known today although subsequent amendments have seen reduced government intervention, greater price transparency and more accountability to
dairy farmers. For example, in 1996, in an amendment to the Act, non-transferable shares in the Dairy Board were issued to co-operatives based on the amount of milk solids supplied. The aim of the amendment was to retain ownership of the Dairy Board within the industry in case a future government should decide to deregulate the industry and remove its single seller status (Nixon 1998 p 105). In the same amendment important decisions by the board became subject to the approval of 75% of its shareholders. This is significant, because with fewer and fewer co-operatives there is the possibility that one alone could control the board and ultimately the whole dairy industry. As the NZ Dairy Group has amassed more and more shares the possibility has become a reality. Chris Nixon, in The Structure and Dynamics of New Zealand Industries (Nixon 1998) claimed this had resulted in political factionalism at board level in the Dairy Board, a fact supported by other observers (e.g. Petersen 1999). Under the terms of the 1961 Act, the board reports annually to Parliament through the Minister of Agriculture (Justice 1999). The Minister does not have the responsibility for the day to day running of the board, however, and the board is not a government department and members of the staff are not public servants (Mulgan 1989 p 111).

As one would expect from the nation's largest company, the NZ Dairy Board has an extensive corporate communications department which is headed by one of the country's top public relations professionals, Neville Martin. The company has its own dairy farming publication, The Dairy Exporter, numerous other in-house and farming newsletters and an extensive website on the Internet.

The Dairy Board is just one, though the largest and most influential, of the country’s producer boards. Most of New Zealand’s agricultural and horticultural exports are controlled or influenced in some way by producer boards or licensing authorities and all have been subject to on-going reform. According to MAF, about 80% of the value of New Zealand’s agricultural and horticultural exports in the year to June 1995 were
subject to the influence of statutory marketing boards or licensing authorities (MAF 1996). The Dairy Board is one of three trading boards, which has export monopoly powers. None have statutory powers over the domestic market. (For the dairy industry this means intense competition between co-operatives, in particular Kiwi and NZ Dairy Group, for market share in the deregulated domestic milk market.) The Dairy Board is empowered to grant licenses to other entities to export. Companies such as Kapiti Cheeses or Puhoi Valley Cheese, which wish to export dairy products independently, must apply for an exemption to the Dairy Board. Approval is usually given in areas where the board is not active (Nixon 1998). The board believes its statutory monopoly is pivotal to its ability to generate critical mass to compete effectively in the international marketplace and it is “increasingly vital” (Spring 1998). Mulgan, in noting how the Dairy Board had managed to retain its protected statutory position, said this was “a tribute to the political power which this sector continues to wield” (Mulgan 1989).

Co-operative Group Membership

From the pluralist perspective it is expected that dairy farmers belong to groups. In New Zealand they are first and foremost members of co-operatives. And the co-operative nature of the dairy industry has been of great significance to farmers and the country as a whole. “A co-operative is based on a mutual ‘self help’ philosophy, and is owned and run democratically by the people who benefit from the activities it performs” (Nixon 1998 p 94). Co-operatives, therefore, have three characteristic features – mutuality, democracy and patronage. Co-operatives issue shares to milk suppliers based on the amount of milk solids supplied. Dairy farmer members of the co-operatives elect a board of directors, which oversees the running of the business. However, the voting is not one farm one vote but is based on the number of shares held in the co-operative. This means the bigger farmers have more say in the running of the company. Technically, a dairy farmer can choose to belong to the local co-operative or supply milk
on contract to companies outside the structure. For example, in 1999 Puhoi Valley Cheese contracted dairy farmers to supply milk to its processing plant. However, this is still quite rare. The majority of farmers belong to a co-operative.

All the members’ milk is accepted by the co-operative no matter whether that particular factory can cope with the volume. In fact it is the perishability of milk that makes the dairy industry unique and it is this characteristic which has such a large influence on industry structure, believed Peter Harris, economist for the CTU (Harris 1999). During a discussion of a Waikato University paper analysing the New Zealand Business Roundtable and the Dairy Board, Harris suggested that a key difference between dairying and meat production was that a farmer can keep a lamb in the paddock for another week, but milk goes bad by noon.

No farmer wants to be a captive seller in an auction - having to find a buyer within hours. If someone invented a pill that could be put in a milk urn to stop it going off for a week, the whole issue of what structure farmers would want would be stood on its head (Harris 1999).

And further, “patronage means that a member receives a rebate from the surplus earned by the co-op, after all expenses have been deducted, in proportion to the milk supplied. The rebate includes a nominal return on the capital contributed”(Nixon 1998).

As far as the dairy co-operative structure is concerned, sharemilkers are not members and so cannot vote on company affairs despite running 37% of the dairy farms (Stevenson 1999). They may belong to their own organisation, the New Zealand Sharemilkers’ Association or, as members of Federated Farmers, belong to the sharemilkers subsection of Dairyfarmers of New Zealand. As at May 31, 1999 there were 1200 sharemilker members and 400 lower or variable order sharemilker, herd manager, or small farmer members (Petersen 1999).

Bernie Knowles, a director at Tatua Co-op, advised the Ministry of Commerce regarding sharemilkers in the matter of the Co-operative Companies Amendment Bill in
He stated that sharemilkers are vitally affected by any company decision and feel in many cases that they should be able to participate at company meetings. Tatua is one of the few co-operatives that has encouraged sharemilkers to participate in company affairs, he said (Knowles 1998). In a submission to the same Bill, the sharemilkers subsection of Dairyfarmers of New Zealand said that sharemilkers make a contribution to dairy companies and to the Dairy Board assets each year from their payout in the form of reserves. They, therefore, should have a say in how the money is spent, said the submission. “It takes time and considerable investment to become a sharemilker and this effort should be recognised” (Subsection 1998).

**Dairy Industry Leadership**

The vertically integrated co-operative dairy industry in New Zealand is seen as significant for several reasons. “A critical factor in the dairy industry's continuing strong performance has been the industry's integration from farm to customer, which has been underpinned by legislation,” Sir Dryden Spring said in the 1998 annual report of the Dairy Board (Spring 1998). As well it has provided a structure for farmer representation in the form of the boards of directors of the manufacturing companies as well as the board of the Dairy Board. Any dairy farmer who is politically inclined can choose either of two paths if he or she wishes to influence the structure and direction of the industry.

The first avenue for political leadership within their industry for dairy farmers is through the co-operative structure. Farmers can get themselves elected to a directorship of the board of their local co-operative and thence to the board of the Dairy Board, with its head office based in Wellington. A prime example of this is seen in the career of Sir Dryden Spring. He first rose to prominence in the dairy industry in 1966 when he was elected chairman of the New Zealand Sharemilkers' Association. Three years later he was elected to the vice-chairmanship of Waikato Federated Farmers. Appointed a director of the New Zealand Co-operative Dairy Company (now NZ Dairy Group) in
1973, Spring became deputy chairman in 1979 and was chairman from 1982-89. He was appointed a director of the Dairy Board in 1983 and became chairman in 1989, resigning in 1998 (NZDB 1998).

While there were many co-operatives, it was relatively easy for a politically motivated farmer to gain representative status. However, with the rate of amalgamations over the last ten or twenty years, competition for fewer and fewer directorships has become increasingly intense. Political in fighting amongst directors of the remaining co-operatives has become a feature of dairy industry life. This has been borne out by what has happened since the May 1998 announcement by Winston Peters. As the dairy industry has struggled to achieve a workable solution to the restructuring of the dairy industry many of the high profile leaders have resigned – many believe because of political battles within the co-operative structure. Examples include: the surprise resignation of long-standing chairman, Sir Dryden Spring in September 1998; the resignation of his replacement, John Storey, in September 1999 after being dumped as a director of NZ Dairy Group, the resignation in October 1999 of the chairman of NZ Dairy Group, Doug Leeder, after barely a year in the job, and, as this thesis went to print, John Young, chairman of Kiwi Dairies announced his resignation as a Dairy Board director (Stevenson 2000). In 1999, a power struggle developed between John Storey and John Young. Further dissension was averted when both men were forced to step down from the committee considering the establishment of a new mega co-op (Senescall 1999).

While strong leadership is valued within the dairy industry, whether at co-operative or Dairy Board level, those leaders are still answerable to their fellow farmers who elected them. The rapid merging of dairy companies and the accompanying decrease in the number of directors has meant that farmers have been feeling more distant and even disenfranchised from the leadership of their industry, noted the
Dairyfarmers of New Zealand submission to the Dairy Board Amendment Bill, 1998 (DFNZ 1998). While farmers have always had the right to get rid of any director when their term was up, traditionally that right has rarely been invoked. Directors, once elected, usually enjoyed long tenureships. John Storey, for example, had been a director of NZ Dairy Group for 20 years. However, if farmers become unhappy with the performance of their elected representatives, they have no hesitation in evicting them. This was most evident in 1999 when Storey, for six years chairman of the country’s biggest dairy co-operative, and currently chairman of the Dairy Board, was up for re-election. Disenchantment with his performance and the lack of communication over proposed dairy industry changes, farmers fielded another candidate in his ward, and voted Storey out of office and so out of his chairmanship (Stevenson 1999). To industry observers, it was no surprise that the new director had the endorsement of Dryden Spring. “If you kneecap someone, you can expect to be kneecapped,” commented a farmer to the author at the annual meeting of the NZ Dairy Group in September 1999 when the election results were announced. Many farmers believed Dryden Spring had also been a casualty of political battles within the industry. Storey’s failure at the co-operative elections was a reminder that farmers have the final say in dairy farming decision-making. Indeed, Storey acknowledged the legitimacy of the democratic process in his speech conceding defeat.

**Federated Farmers Membership**

The second of the farming groups which dairy farmers, along with the country’s sheep and cattle farmers, can join is Federated Farmers, thus corroborating the pluralist principle that membership of groups is often overlapping. If they so wish, they can pursue a career from branch, provincial district through to the national executive. There are more than 450 branches and 23 provincial districts situated throughout the country with the executive headquarters sited in the capital, Wellington. As at May 31, 1999 the
membership of the federation totalled around 13,000, of whom 4400 were dairy farmers who were also members of Dairyfarmers of New Zealand (Petersen 1999). Traditionally it was the sheep and cattle farmers who held the influence in the federation with succeeding presidents being honoured with knighthoods. However, in recent years this situation has changed with the decline in sheep and cattle farming and the continuing strength of dairy farming. When the federation lost the right to compulsorily levy its members in 1994 the membership dropped dramatically, but it had been slowly eroding for several years. In 1985 the membership was around 30,000, or about 80% of those eligible to join (Gold 1985 p 218-219). By 1990 membership was down to just over 22,500 or 57% of those eligible (Gold 1992 p 346). In an effort to reduce costs, in 1996 the federation was restructured and downsized. Staffing levels were reduced from 91 to 53. Despite this the organisation is still operating outside its budget, recording successive deficits since the changes (Anderson 1998). The federation supports a communications department, has an Internet presence and, until 1999, had its own publication, *Straight Furrow*. This previously respected and long standing agricultural publication was sold in March 1999 to Rural Press so that the federation could focus on its core business – that of representing farmers’ interests (Petersen 1999). However, many farmers have been slowly losing faith in the ability of Federated Farmers to represent their views and this was seen in 1998 in a bitter skirmish between national executive and its Northland province. Northland farmers originally voted overwhelmingly to stay out of the new national structure and there has been simmering dissension since (Anderson 1998).\(^\text{13}\) However, it should be noted that successive histories record the difficulty any organisation such as the federation faces when trying to marry the varied and often opposing interests of its members (Mulgan 1989 p 106-

\(^\text{13}\) Ian Walker, the chairman of the Northland Branch of Federated Farmers stood for NZ First at the 1999 general election.
Sheep and cattle, arable, high country and dairy farmer members all have quite distinct needs and the federation has always faced the tensions inherent in trying to achieve a harmonious balance between them. This has been largely achieved through the different sections that cater for the particular interests of these farmers. There is also a special section for rural butchers. As Mulgan noted, “conflict is not infrequent” and the federation often walks a fine line between trying to represent the interests of farmers generally, while taking heed of the different sectional interests. Federation leadership seemed “at odds with significant parts of its constituency” particularly on the issue of the proposed deregulation noted Jane Kelsey (Kelsey 1999 p 220). When times are hard financially or the farming sectors are facing political change, it is not unusual to find members in open conflict with their leaders, as happened in Northland.

Farmers and National Politics

Leadership within the farming industry, whether through the co-operatives, Federated Farmers or some other farming organisation was often a stepping stone to parliamentary representation. Traditionally it was to the National Party benches that a farming leader would head. For example, Rob Storey went from presidency of the federation to Member of Parliament for National (Gold 1985). The close ties between National and farming were evident within the co-operatives as well with many a director on the executive of National Party branches. John Luxton, until the election of 1999, the Minister for Food, Fibre, Biosecurity and Border Control was chairman of the Tatua Co-op Dairy from 1985-90 during which time he entered parliament in his father’s old seat of Matamata (Luxton 1999). Dryden Spring himself a long time friend of National Party leader, Jim Bolger, was for many years the chief fund raiser for the party (Sutton 1999). Now it is not unusual to find office holders from farming organisations representing other political parties. Owen Jennings, a former president of Federated Farmers, for example, is an ACT MP and spokesman for agriculture (Jennings 1999).
had previous affiliations with the federation, but also from 1973-87 was a director and
deputy chairperson of the former Karamea Dairy Co-operative. Jim Sutton, again the
Labour Minister of Agriculture has held various offices in Federated Farmers and other
farming organisations (Sutton 1999). Damien O’Connor, also a Labour Party politician,
has been a dairy farmer and had previously held office in that other avenue for
agricultural leadership, the Young Farmers’ Club (O’Connor 1999).

**Alternative Group Membership**

As can be seen from the foregoing information, dairy farmers have been
undergoing a difficult time both economically and politically. Neither of the two main
representative bodies appears to be fully meeting their members’ needs. Farmers’
reactions vary from expressing their dissatisfaction via the co-operative election box,
withdrawing their membership or by setting up a new organisation. The establishment of
Rural United (Coalition of Concerned Dairy Farmers) fits into this latter category.
Originally this was a group of farmers dissatisfied with the outcome of the merger
between Tui Dairy Co-op and Kiwi Dairies. This organisation has since grown to
include the representation of a much wider group of farmers. It organised a march on
Parliament in November 1998 and drew support from pipfruit and kiwifruit growers, as
well as sheep, dairy and cattle farmers from throughout the country (Keating 1998). As
well the group has lobbied parliamentarians and made submissions to relevant bills,
including the 1999 Dairy Industry Restructuring Bill. Suzanne Bruce, the organisation's
leader, was to have stood as a candidate for NZ First in the 1999 election before
withdrawing because of allegations of GST fraud.

Another group, which has more recently emerged, is Farmers for Control, a dairy
farmer ginger group, formed to push for the mega co-op proposed in 1999 as the answer
to dairy industry restructuring (Stevenson 1999).
Maori Dairy Farmers

A group of dairy farmers with special needs are Maori farmers, usually represented by the Federation of Maori Authorities (FOMA). The federation is the national body which co-ordinates Maori incorporations and trusts. There are about 400 Maori authorities managing over $150 million worth of assets, much of this dairying land in the Taranaki (Ministry 1996). Long opposed to the concept of producer boards, Maori farmers in all sectors have largely been ignored by their relevant boards, claimed Conor English. (English 1999). It is only recently that the Meat Board had any Maori directors and these were appointed by government (Gifford 1999). In dairying, Maori farmers in the Taranaki have had particular concerns and these were elucidated in the Paraninihi Ki-Waitotara Incorporation’s submission to the 1999 Dairy Industry Restructuring Bill (Incorporation 1999). Their submission was mainly related to the statutory status of Maori leasehold land and the likely impact of dairy restructuring on Maori lessors.

Maori leasehold lands stand in a different legal framework to other leased lands. They are perpetually leased and the lease conditions were set essentially in 1892. They were imposed by statute and not voluntarily entered. (Incorporation 1999)

This “statutory straitjacket” precludes Maori lessors from holding shares in any proposed new dairy structure. Maori lessors should be able to receive shares in proportion to their contribution to the overall value of the entity, said the submission.

Dairy Factory Workers

While dairy farmers are the main group to be affected by any restructuring of the dairy industry as proposed in the May 1998 budget there are other groups in society, which will be affected by any changes. One such is the Dairy Workers Union, which represents workers in the dairy factories. The DWU membership has been increasing by 2% per year for the last 10 years despite about 10 closures, reaching an all time high of
5800 last year (Potroz 1999). “It’s starting to slip now through this company rationalisation, and is currently 5678,” stated Ray Potroz, secretary of the union, in June 1999. Of those eligible to join, there are about 150 – 200 dairy factory workers who are not members.

It’s true it (dairy restructuring) will affect workers in the industry who are members of this union but no more than they are going to be affected anyway. The existing companies have clear rationalisation plans and a mega merger would just accelerate those plans (Potroz 1999).

The DWU was anticipating the loss of about 500 members to fewer than 5000 within five to seven years, now it expects that to be within three years if a proposed merger of all the co-operatives goes ahead.

Potroz said that the dairy industry has much more sophisticated arrangements for closures and/or mergers as regards staffing than in the meat industry. And he should know. He worked in the meat industry for 18 years, mostly as a union official during the time of the closure of Gear, Patea and Whakatu meat plants. “The dairy industry has very comprehensive requirements in our Collective Employment Contracts for retraining, relocation and finally compensation,” he said. During the partial closure of Morrinsville dairy factory in mid 1999 only 10 of the 60 workers affected who wanted jobs were not able to be placed in alternative positions within the industry. This includes "swap a job" where workers from surrounding factories were invited to swap their job for another affected workers redundancy. “There are some safety and skill factors to accommodate but generally it works well,” said Potroz (Potroz 1999). In March 1999 the union did not seek a wage rise in recognition of dairy industry difficulties. Potroz was quoted as saying that union members felt part of the industry and were prepared to do their bit to help (Stevenson 1999).
Dairy Sheep and Dairy Goat Farmers

Other farming groups which will be affected by any statutory changes to dairy industry structures are the members of the fledgling dairy sheep industry, represented by the Dairy Sheep Association of New Zealand and the dairy goat industry, represented by the Dairy Goat Co-operative. The export of dairy products from cows or goats comes under the provisions of the Dairy Board Act. So if the dairy cow industry is forced to deregulate, so too will the dairy goat industry. And as far as the 82-member dairy goat organisation is concerned, a single seller structure is what that industry needs after previous unregulated exporting drove the industry to its knees in the early 1980s. Since 1984 all export of dairy goat products had been controlled under an amendment to the Dairy Board Act (Stevenson 1999).

Ice Cream Manufacturers

Another group, which has a direct interest in the outcome of any dairy industry restructuring because it is a major local user of dairy products, is the New Zealand Ice Cream Manufacturers’ Association representing the nine major ice cream makers in the country. Along with a number of very small manufacturers who remain outside the association, they produce $100 million worth of retail ice cream annually and $36 million worth of exports (Gilbert 1999). A chief concern of the association is competition, said Frank Gilbert of Chateau Ice Cream and immediate past president of the association.

The domestic supply of material is critical – that means the butter, cream, milk or milk powder. Our costs are dependent on what we have to pay for the ingredients. It’s bad enough what we pay now, it will be even worse if there is only one company (Gilbert 1999).

As well, the manufacturers are disputing claims by MAF that they should be registered for export under dairy industry rather than food hygiene regulations. The difference in compliance costs under the two regimes is enormous, said Penn Moore, long serving
secretary of the association (Moore 1999). Despite the costs, some ice cream manufacturers have complied with MAF demands in order to obtain the required export license from the Dairy Board.

Other Groups

So far this chapter has focussed on groups that are directly interested in the New Zealand dairy industry whether as farmers or sharemilkers of milk producing animals such as sheep, goats and cows, as processors of milk and its by-products, or as manufacturers of products derived from milk. There is, however, another influential economic grouping, that while not having a direct interest in the dairy industry, nevertheless claims to represent a national or public interest in what occurs in dairying. Into this category fall the NZ Manufacturers’ Federation and the New Zealand Business Roundtable.

The much older federation, representing all manner of manufacturers, has an “elaborate” organisation with permanent offices and staff, (Mulgan 1989 p 39) similar to Federated Farmers, and was traditionally consulted regularly on matters of policy by government. It has always considered it had a mandate to comment on any matters that affected the nation’s economy, including agriculture, and this was recognised historically by successive governments. Thus there was no surprise to find the federation as one of the organisations making submissions on the Dairy Industry Restructuring Bill in 1999.

Similarly, there was no surprise to find the Business Roundtable appearing at the select committee hearings for the same Bill, as well as for the Co-operative Companies Amendment Bill 1998 and the Dairy Board Amendment Bill 1998. However, the structure and raison d’être of this latter organisation is quite different from that of the Manufacturers’ Federation. The Business Roundtable (NZBR) is comprised of selected members - chief executives chosen from amongst about 50-60 of the country’s leading
companies, primarily in the private sector. United behind the New Right philosophy given concrete expression by the fourth Labour government and Roger Douglas, the Business Roundtable claims to speak for the public interest. This is exemplified in its statement of purpose:

The NZBR is committed to contributing to the overall development of New Zealand and to promoting the interests of all New Zealanders concerned with achieving a more prosperous economy and fair society (NZBR 1999).

The Business Roundtable was “enormously successful in the mid-1980s in conditioning public, official and political opinion about directions of economic transformation,” stated Martin Perry in Changing Places - New Zealand in the Nineties (Le Heron and Pawson 1996). Perry believed the Business Roundtable established its dominance over other employer organisations, such as the Manufacturers’ Federation, in the terms of influencing government policy. While it claimed to focus on the general economy and major national issues rather than particular sectors or industries, it has appeared to make a crusade out of railing against the statutory status of agricultural groups such as the Dairy Board. It has been a persistent and consistent critic of producer boards, commissioning many reports over the years damning such statutorily protected enterprises (Bates 1997; Bates 1998; Scrimgeour 1998). One of the first such reports was in 1992 when the Business Roundtable published the ACIL report Agricultural Marketing Regulation: Reality versus Doctrine, with an update by Dennis Hussey the following November (Hussey 1993). Since that time Roger Kerr the executive director of the Business Roundtable, and Hussey and fellow director of ACIL, David Trebeck have stumped the country preaching the abolition of producer boards (Hussey 1993; Kerr 1996; Trebeck 1996; Kerr 1997; Kerr 1998). Farmers regard Kerr and his organisation as ideologically driven and have a deep suspicion that the Business Roundtable wants the industry deregulated so that its members can get its hands on the country’s most lucrative industry. The debate over the status of the Dairy Board has
polarised around dairy farmers’ determination to retain control of their industry and opponents, such as the Business Roundtable, who, while claiming to be acting in the public interest, are actually acting in the self interest of their members (Le Heron and Pawson 1996 p 126). This has pitted the commercial might of the dairy industry as represented by the Dairy Board against the commercial might of those interests represented by the Business Roundtable – a veritable struggle of the economic titans, of rural interests against urban ones. Both business groups have well established communications departments and on line presences. The Business Roundtable, in particular, lists on its websites all the reports it has commissioned over several years and all the speeches Roundtable members have delivered in the same period.

**Conclusion**

This chapter has turned the spotlight on the second element in the Governor Model of pluralism to find that the basic principles appear to have been met. Those involved in the dairy industry not only belong to groups they can belong to several, from their local co-operative, a branch of Federated Farmers or of the Young Farmer’s Club or branch of a political party. Membership, in many cases, is overlapping. Generally it appears that the leadership of these groups tries to attain consensus from among their members although this is made more difficult in times of economic or political stress. The co-operative dairy industry particularly gives the final say to its members. Dairy farmers will be the ones to decide if they accept the proposal to merge all co-operatives into one large entity. As pluralists recognise, some groups do have more resources, better leadership or better organisation and in this instance, again, the co-operative dairy industry is better resourced than Federated Farmers is, but perhaps on a par with its antagonist the New Zealand Business Roundtable.

A question to consider is whether the real power in the industry is wielded by a small and select group to suit its own interests rather than those of the general
membership? While leadership within the dairy industry has been significant, leaders are not so important that if they stray too far from the wishes of those who are led, they cannot be overturned. Retribution can be swift and harsh, as has been demonstrated. Pluralists would accept that if a particular sector felt underrepresented or not represented at all it was free to establish its own group. This has occurred in the dairy industry with the formation of the Coalition of Concerned Dairy Farmers (Rural United) which is now recognised as a legitimate interest group within the industry as Farmers for Control also appears to have been.

It is clear that there are interest groups with far greater resources and power than others within this sector but pluralists would argue that that does not necessarily mean they will be more successful than those with less. The checks and balances of the Governor Model should ensure that all voices are heard no matter their level of resources or organisation. Whether this is the case will be revealed in later chapters. What is abundantly obvious in this chapter is that two of the most powerful interest groups in the nation are pitted against each other and it remains to be revealed whether the media and/or the state are powerful enough to counter their influence and to give a voice to the smaller groups.

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**Endnotes**


Incorporation, Paraninihi Ki-Waitotara (1999). Response to the Committee on the Bills - Dairy Industry Restructuring Bill.


MAF (1999). Dairy Income, Expenditure, Profit & Drawings, MAF.


Chapter Five

Enter the State – Stage Right

Introduction

"All the world's a stage", or so Shakespeare and public policy scholars would have us believe and 1998 for New Zealand agricultural policymaking was a year that saw many an actor, strutting and fretting his hour upon the stage, some eventually to be heard about no more. Those self-same scholars tend to cast the participants in policymaking as actors so it is especially apt to portray this particular piece of policymaking as a drama in three acts.

Staged to date has been Act One, where the policy of dairy industry deregulation was announced by the state and tension built as it and the other actors argued amongst themselves and in the media about the rightness of this action and whether it was to be obeyed. This first act closed with resolution. Reluctantly the edict was accepted but with provisos. This set the scene for Act Two, which began in December 1998 and continued into 1999 reaching its climax when a substantial offer made by one of the main interest group protagonists was rejected by a state entity. As at February 2000, Act Three is being played out with no denouement or likely ending yet perceptible. This policy indeed had all the elements of classic drama - villains, heroes, rejected suitors, red herrings, blood on the floor, dramatic soliloquies, twisting plot lines - all contributing to high suspense. This particular thesis, while taking note of the extended performance, concentrates only on the first act that many originally believed would be the whole play.

It should be noted in passing that some scholars cast the policymaking process in terms of game theory rather than in dramatic terms. Policy games are seen as:

- on going contests over well defined, commonly understood issues by rival policy players. Policy players are those who play in the game: political actors capable of rational thought; whose interests are served by
influencing public policy; and who take an active role in the policy process (Bartell 1996).

Game theory is seen as a speculative tool useful in conflict situations and describes how people *would* go about making decisions rather than how they *actually* make decisions. As Sherrie Bartell pointed out when reviewing William Browne's book *Cultivating Congress: Constituents, Issues, and Interests in Agricultural Policymaking*, the outcomes are "speculative because game theory conditions are seldom approximated in real life" (Bartell 1996). In the 1998 instance being examined here, the issues were certainly not well defined nor were they commonly understood.

**A Model of Policymaking**

Before attempting a review of Act One, however, it is necessary to provide a model of policymaking, which will aid our understanding of just what was occurring in 1998. Michael Howlett and M. Ramesh explained that there are four ways of reaching an understanding of policymaking (Howlett and Ramesh 1995 p7-8). One could examine the nature of the political regime in which the policy is being made; search for policy determinants; focus on policy content or concentrate on policy impact or outcomes. It seems, however, that all these elements would come into play at some stage of a discussion on policymaking, so this thesis will attempt to consider them all to a greater or lesser extent. Many scholars break down policymaking into an orderly process with stages sometimes called the policy cycle (Howlett and Ramesh 1995). Others, like John Kingdon, taking a less formal and structured approach, fancifully call it the policy primeval soup or the garbage can model (Kingdon 1984).

Where one theory identifies recognisable stages in the process of policymaking such as agenda setting, policy formulation, decision making, policy implementation and policy evaluation (Howlett and Ramesh 1995 p 11), the other is much more fluid and open. Kingdon identifies three streams - problems, policies and politics - that are
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relatively independent and through which various participants interact to ultimately place items on the agenda. Rather than viewing policy as the result of an orderly progression of distinct stages, policy emerges from the fortuitous joining of these "streams". It thus becomes a "battle over definitions of problems and their causes, over portrayals of villains and heroes, over the legitimacy of actors and proposals" stated Julio Borquez (Borquez 1993 p 33). It does fit the dramatic scenario rather well. However, for simplicity's sake the policy cycle will be the model used. In answering questions about the role of the media, the interest groups and the state in this example of agricultural policymaking it may turn out, however, that Kingdon's model is more applicable.

Models of Agenda Setting

Scholars (e.g. Dearing and Rogers 1996 p 5) identify three types of agenda - the policy agenda, the public agenda and the media agenda. This accords well with the Governor Model of Pluralism, expounded in Chapter Two. It seems reasonable that each of the three elements in the model has its own agenda. The interest groups contribute to a public agenda, the media to a media agenda and the state deals with the policy agenda, often as a result of actions by the other two groups. In considering how the issue of producer board deregulation arrived on the policy agenda it will be necessary to consider also whether the issue reached the media or public agenda before making it onto the policy agenda.

Having identified three types of agenda, some theorists then identify three models of agenda setting. In the mobilisation model issues are put on the agenda by the government "with no necessary preliminary expansion from a publicly recognised grievance" (Howlett and Ramesh 1995 p 114). While there might have been "considerable debate" within the state over the issue, stated Howlett and Ramesh, the public under this model, may well be kept in the dark about the policy and its development until its formal announcement. It is only once the policy announcement
has been made that the state attempts to mobilise public support for it. This mobilisation model has been likened to the type of policymaking typical of socialist one party states. It also bears a resemblance to the manner in which Roger Douglas made his reforming policy announcements after 1984. Act decisively and quickly so that interest groups have no time to mobilise and drag the reform process down (Douglas 1993 p 221).

Vested interests seeking to preserve past privileges will always argue strongly for a slower pace of change. It gives them more time to mobilise public opinion against the reforms (Douglas 1993 p 223).

This is in complete contrast to the pluralist concept of issues arising from within interest groups, reaching a public agenda and then finally a policy agenda. This has been termed the outside initiation model by Cobb, Ross and Ross (Howlett and Ramesh 1995 p 113) who also developed the mobilisation model and a third one entitled the inside initiation model. In this latter version, "influential groups with special access to decision makers initiate a policy and do not necessarily want it to be expanded and contested in public." These words could almost have come from Treasury officials. In March 1998 in a Treasury document to the Treasurer, Minister of Finance and Associate Treasurer, Michael Papesch stated that there was:

a recognisable risk that if the government directly opened up the reform debate the current board/industry effort in moving towards deregulation could be re-directed into protecting the status quo (Treasury 1998).

In the following exploration of agenda setting these three models will be born in mind to determine which of these three models was applicable in this instance.

**The Public Agenda**

The future structure of the dairy industry was certainly on the public or at least the dairy industry agenda in 1997, as it had been for many years (Wallace and Lattimore 1987). While concerned about falling overseas prices for their products and the consequent impact on their incomes, farmers still believed that the single seller status and farmer ownership of the Dairy Board were non-negotiable. There might be structural change but any changes would be evolutionary and managed by the industry
itself. This approach had had the support of both Jim Bolger, the Prime Minister of the
previous National government and John Falloon, the Minister of Agriculture.

It appeared that the Coalition government also held that view. In the agreement
signed between New Zealand First and the National Party on December 11, 1996 the
Coalition government promised to "support producer boards for as long as they retain
supplier support" (Coalition 1996). Winston Peters as late as December 10 1997 was
reported as saying that the Dairy Board was "working" and should not lose its single
seller status (Staff 1997). Concrete plans for some restructuring had been considered as
far back as 1995, according to Dryden Spring, but had been overshadowed by the
continued sparring between the bigger dairy co-operatives (Spring 1999).

In 1997 several things happened to sharpen the debate and so move the issue
further up the public agenda and options for change to be publicly debated. The
continuing amalgamation of dairy co-operatives had ensured that the issue was never far
from the thoughts of farmers and industry leaders. There was a flurry of acquisitions by
NZ Dairy Group (East Tamaki, Bay Milk) and Kiwi (Tui, Hawkes Bay Milk) in 1996
with both companies showing an interest in South Island Dairy Co-op in 1997. With the
shareholding of the Dairy Board amalgamating into fewer and fewer companies, the
existence of the board constitutionally was coming into question.

In the middle of the year all producer boards came under scrutiny when the
Producer Boards Amendment Bill went before Parliament. This bill addressed the status
of the meat and wool sectors, but the discussions that followed as a result of select
committee submissions and debate in Parliament and in the media widened the issue to
embrace the status of producer boards in general.

The agricultural community, the Business Roundtable, academics, the state
and the media all contributed to the debate for the rest of the year. Through media
publicity the standpoints of some of the leading actors became clearer, mainly those
of the various interest group leaders. Politicians took public stands on the issue. First into the fray was Owen Jennings, a former president of Federated Farmers and now an Act Member of Parliament. In May he was reported as stating that co-operatives were a burden for farmers (Christian 1997). In general debate in Parliament in the same month he stated:

The Coalition government is saddling that sector (agriculture) with anachronistic heavy-handed producer boards and other regulations that are holding back that sector from delivering the growth that we need" (Jennings 1997).

Minister of Commerce and Associate Minister of Agriculture, John Luxton, soon followed Jennings. He began calls for dairy deregulation in June of 1997 and pushed for the public listing of the Dairy Board on the stock exchange (Luxton 1997).

Later in the year Lockwood Smith began advising producer boards to start thinking about life after regulation and kept prompting in this direction in several speeches. Farming leaders made their opinions public. Malcolm Bailey, the (then) president of Federated Farmers demonstrated his sympathy with the stance of Luxton and the Business Roundtable. In a speech on November 21 to the New Zealand Society of Farm Management he outlined his views on the dairy industry.

The hang-up in the New Zealand dairy industry is that all success stems from the statutory powers the Dairy Board has. The immediate challenge is to move past this thinking and get the industry on a secure commercial footing that protects the industry from outside political interference. Ten years out we will have a fully commercial NZ Dairy Board complete with tradable shares and dairy farmers scratching their heads about why they didn't embrace the changes earlier (Bailey 1997).

In another speech in September to the Meat Industry Association, echoing Roger Kerr, he berated the government for "failing to build on the successful economic reforms of recent years" (Bailey 1997).
New Zealand academics joined in, with Wayne Cartwright of Auckland University suggesting a single dairy company as an option. Roger Kerr ridiculed this suggestion. Merging the board with dairy companies would be the worst possible response to industry challenges, he claimed (Staff 1997). Dairy Board chairman, Dryden Spring said it was an option that had been considered and discarded by an industry working group because it was felt that the two leading dairy companies would never agree to it (Christian 1997).

In October the Dairy Section of Federated Farmers released a discussion document *The Changing Structure of the New Zealand Dairy Industry* which considered six structural options. The document favoured the separation of the Dairy Board's value added business and the issuing of shares to farmers and investors, with the Dairy Board keeping the majority (Section 1997). The document also stated that, while the dairy industry should remain under farmer control, the Dairy Board "can (and must) exist without legislation." The chairman of the largest dairy co-operative then weighed in with his views. In a speech on November 28, 1997 to Northland Federated Farmers, John Storey proposed separation of the Dairy Board’s regulatory and commercial functions into separate entities in preparation for deregulation (Stevenson 1997). Minister of Agriculture, Lockwood Smith was reported as praising this attempt at preparing for the loss of the board's export monopoly (NZPA 1997).

**Other Public Agendas**

The dairy farmer agenda was not the only public agenda, however. There was another agenda that did not focus on several options for dairy industry restructuring, but on just one - deregulation. This was promoted single mindedly at every opportunity by the Business Roundtable during the 1990s. In September 1997 it kept the pot boiling when it released a paper entitled *The Dairy Board's export monopoly* (Bates 1997) and Roger Kerr addressed the Combined Rotary and Lions Clubs of Motueka on *Whither co-
operative dairy companies? (Kerr 1997). Winton Bates, the author of the report on the Dairy Board, and Kerr were wholeheartedly against a continuation of the board with statutory underpinning and they urged the government to stop pandering to sectional interests and remove the board's export monopoly in the name of efficiency, innovation and competition. (Staff 1997).

Mark Masters, chairman of the Dairy Section of Federated Farmers took the Business Roundtable to task for not adding anything new to the debate.

At a time when the industry is undergoing great change fresh thinking would have been welcome," he said. "Unfortunately the Business Roundtable seems to be unaware of changes which have taken place within the Dairy Board since 1990. Instead of adding objective, substantive analysis to the issue it continues to trot out the same shallow arguments (Masters 1997).

In commenting in April on the Budget Policy Statement issued in February 1998, Roger Kerr was supportive of New Zealand First.

It is the National Party, not New Zealand First, that has stood in the way of dismantling the outdated producer board structures – and there is still no clarity as to when push will come to shove on this issue. Since 1993, National has not been a reformist party – it has largely been content to coast (Kerr 1998).

Just how influential was the Roundtable in influencing the policy agenda? Kent Atkinson of NZPA believed that the Business Roundtable could largely be said to have either triggered or catalysed the producer boards debate in New Zealand.

Long before 1998 and in fact before 1995 they were talking about issues such as unbundling the returns to the Dairy Board, arguing loudly for the deregulation of producer boards in general largely on the basis of ideology (Atkinson 1999).

Dryden Spring also believed the Business Roundtable had been "quite influential.

I think that in the early days of the debate they didn't make any headway. In fact a very senior member of the Roundtable told me at one stage in 1996, "I have to congratulate you Dryden, you've absolutely demolished the arguments of the Business Roundtable of which I am a member". But they kept hanging in there and an increasing number of politicians accepted their views (Spring 1999).
Philippa Stevenson, current agricultural editor of the NZ Herald agreed. "The Business Roundtable certainly stirred everything along" (Stevenson 1999). She did not believe the organisation had a lot of influence on farm players but had a lot of influence on government. These comments clash somewhat with comments made by Bruce Cronin in a 1997 paper where he stated that the 1990s saw a decline in the Roundtable's influence (Cronin 1997). He attributed this to the farming community providing much stiffer opposition than the unions and social welfarists had in the 1980s.

Neville Martin, for 29 years the public relations supremo for the Dairy Board, believed that the role of the Roundtable was "a lot less than it would have liked" (Martin 1999). "They were very critical of us (Dairy Board) and persuaded a lot of people that their views were plausible, sensible and fundamentally right". Because they had become repetitive and were obviously ideologically driven, they became less effective, he said. In his view journalists had "written them off a year or so ago." Neville Martin did concede some influence to the Business Roundtable, however. "To an extent the Roundtable performed the role the media should have done and can genuinely claim to have moved things along."

Both Alistair Thompson, previously consulting editor for Straight Furrow, and Conor English, John Luxton's press secretary in 1998 said the Business Roundtable did not play a large part in the issue. The Business Roundtable reports were read and discussed within the dairy industry but were "too pointy headed and went over the top of people's heads," said Thompson. "You didn't need complex analysis to tell farmers their money is tied up in their farms" (Thompson 1999). English was adamant that the Business Roundtable "had nothing to do with this exercise" (English 1999). While the dairy farming community and some observers may have written off the influence of the Business Roundtable there are two factors that point to it having considerable influence on the state, at least – ideology and the significance of the
economic status of those whom the Roundtable represented. While the Roundtable and influential members of the state were ideologically in tune, as Kingdon noted “governmental officials must also reckon with a group that is in a position to tie up the economy” (Kingdon 1984 p 55). The views of the representatives of the country’s leading businesses would thus be expected to be given a more than fair hearing by any government, especially if they spoke with one voice as the Business Roundtable did. As far as the particular policy is concerned, it would appear that the Business Roundtable had won the day. In Act One, the producer boards were being forced to consider future strategies without statutory legislation. At the very least, it was round one to the Business Roundtable.

As well as local interest groups working to create a public agenda on dairy industry restructuring, there was pressure from international organisations for change. This was exemplified in particular by an excerpt from the 1997 National Trade Estimate Report on Foreign Trade Barriers prepared by a US trade representative. The report stated:

US agricultural interests have made state trading enterprises (STEs) a focus for criticism of other agricultural exporting countries, such as Canada, Australia, and New Zealand. They argue that exporting monopolies have market power that enables them to undercut the prices of competing US products, and that STEs use profits from protected domestic markets to subsidize into export markets (Representative 1997).

Indeed in December 1997, a congressman accused the Dairy Board of avoiding US taxes (Tocker 1997). In late 1996 Mark Masters, chairman of the dairy section of Federated Farmers had been in correspondence with the Dairy Trade Coalition, a US based organisation fighting against STEs, and in particular, the Dairy Board (Masters 1996). The DTC had been much influenced by former Minister of Finance, Ruth Richardson, excerpts from whose book were used to back up its case against New Zealand. Mark
Castillo executive director of the DTC, said in his letter to Masters that Richardson's point

"is that the world of New Zealand producer boards is an anachronism and serves as a de facto subsidy. She writes that, 'producer boards remain the largest area of uncompleted business in microeconomic reform.'" (Castillo 1996).

The whole dairy industry restructuring debate was now so vigorous that Terry Hall in the November issue of the Chartered Accountants Journal of New Zealand noted that there appeared to be a "war of sorts in full swing" between the free marketers and anti monopolists on the one hand and the producer boards on the other (Hall 1997). There was no overt sign that a change in agricultural policy was in the offing and that this was nothing more than the usual posturing and arguing about producer boards and their statutory backing that had been going on for years.

In November the Dairy Board was named the top New Zealand company by Management magazine (NZDB 1997). This seemed to give fuel to farmers' claims that ideological and political reasons were being given for any removal of the board's single seller status rather than good economic reasons. Neither the Business Roundtable nor Treasury had ever produced convincing evidence of the benefits of change from the current structure, they believed.

The Roundtable has hired experts and churned out statistics to "prove" that under the existing export regime the Board is underperforming on behalf of New Zealand dairy farmers, a charge the (Dairy) Board vehemently denies with ample statistics and arguments of its own (Harris and Twiname 1998 p 88).

A report commissioned by Treasury, the Thurman report, was widely understood to have supported the Dairy Board stance and so was never made public by Treasury.

Another cause of discontent for farmers was a perceived lack of communication between themselves and the leaders of the industry both within dairy companies and the board. Some companies, were accused of withholding Dairy
Board information from farmers because "the companies deem the information to be
too Dairy Board orientated" (Pedersen 1997).

Discontinuing long-standing arrangements of companies distributing *Dairy Exporter, Market Update* and *Farming With Pictures* to farmers may only be the tip of the iceberg of a breakdown in relationships between companies and the Dairy Board. Dairy Section has already commented on the "ominous silence" from dairy companies following comments (in June 1997) of Commerce Minister John Luxton attacking the Dairy Board and questioning its future (Luxton 1997). The fact that few of the industry’s leaders have spoken out in support of the board has farmers wondering just what their companies may be planning. Situations such as this where companies withhold NZDB information from their suppliers can only fuel suspicions that all is not well (Pedersen 1997).

So, while the issue of dairy industry restructuring was on the official dairy industry agenda and various options were being discussed by industry leaders, farmers themselves were trying to ensure their views were also being taken into consideration. They were concerned that their leaders were taking them in a direction of which they did not approve and about which they were not being consulted. At no stage in the debate over possible future structures of the dairy industry was the government given a clear message by dairy farmers that it wanted the regulations empowering the status of the Dairy Board revoked. Certainly most dairy farmers were not thinking along those lines and if they were they wanted it handled by the industry itself. Once it did reach the policy agenda, however, as Kingdon noted, even if the interest group did not start the agenda ball rolling, once it is rolling “they try to ensure that their interests are protected in the legislation that emerges (Kingdon 1984).

Industry leaders were indeed sending mixed signals. Bailey and Storey seemed to have accepted Luxton and Smith's view that deregulation was inevitable and it was time to get on with it. Dryden Spring appeared to be taking a more cautious and evolutionary approach, as he had always done. He was trying to work behind the scenes with industry and government to achieve a workable structure sometime in the future. Spring
confirmed that this was the approach he was taking in late 1997 and early 1998\textsuperscript{14}. There had been "continuing dialogue and always had been" between the Dairy Board and government, he said. (Spring 1999)

I had indicated both to the Prime Minister and Lockwood Smith what we were doing and the timetable we were working towards. I had told them that by the end of 1998 I expected to be able to bring to them an industry view of the future, a future which did not involve the regulations somewhere down the line. She (the Prime Minister) was very comfortable with that (Spring 1999).

It was not a surprise but it was a "disappointment" when the government announced its change of policy on May 12, said Spring. There had been no consultation with the board.

I certainly believed I had undertakings from both Lockwood Smith and Jenny Shipley. They had expressed their complete satisfaction with the way the dairy industry was handling it and that I would be keeping them advised of progress and would come back with a plan (Spring 1999).

Spring said he specifically pointed out the pressures on the industry and that an announcement would be unhelpful for that process. "I believed I had an undertaking that there wouldn't be an announcement without further consultation at least" (Spring 1999). The announcement was not only disappointing, he added, it was counter-productive. "It was a foolish decision from them."

Spring is certain also that power plays among the dairy companies did have an influence on government and state officials thinking. "There was really an undermining of the industry's position by those who had particular views, which they are now paying the price for as they come to negotiations on the mega merger with the government," said Spring in June 1999.

What you don't do in discussions is concede the principle or give an indication you will concede the principle until you've got the major detail that you want. So you don't say to government we recognise the single seller has to go. You continue to hold the strong line and develop the negotiating

\textsuperscript{14} He had been re-elected chairman of the Dairy Board in December 1997
position that you want. So the power play between the dairy companies weakened the industry's position. This was because it was very difficult to get a position that everybody would agree with - even if they would agree publicly, sometimes they were saying something different in the corridors. So to get a uniform position with the government was very very difficult and to get a uniform negotiating strategy was very very difficult (Spring 1999)

Kingdon noted that an interest group’s ability to convince governmental officials depends to a large extent on the group speaking with one voice and “truly representing the preference of its members” (Kingdon 1984 p 55). “If the group is plagued by internal dissension, its effectiveness is seriously impaired.” Potential differences between leaders and followers means leaders “find it difficult to argue for their positions if they face opposition from their own ranks.” In this situation the Business Roundtable was in a position of relative strength. There was never any suggestion that members of that group dissented from the policies being promoted.

The Policy Agenda

When the Prime Minister, Jenny Shipley, gave her speech to open the 1998 session of Parliament on February 17 she gave no hint of what was to follow in May. In her words:

Government welcomes the leadership being exercised by a number of producer boards to modernise and commercialise their structures. Because of the possibility of free trade agreements, the government, through the Minister of Agriculture, is keen to work with producer boards this year as they develop strategies that position their industries and New Zealand well, should the opportunity of free trade agreements become a reality (Shipley 1998).

If one was attempting to determine the government's thinking in retrospect, the Budget Policy Statement which was released on February 4 bore a minor reference to producer boards when discussing ways to pursue a "vigorous pro-growth strategy"

The Government's comprehensive strategy for growth aims to: encourage enterprise and innovation (amongst other things) by examining the monopoly power of producer boards (Treasury 1998).
Just exactly what that was to be was only really finalised by Cabinet after much
discussion and dissension the week before the Budget in May. Some of the agenda
setting process eventually became visible, not the least as a result of the release of
relevant documents under the Official Information Act in November of 1998.

Howlett and Ramesh, after Cobb, Ross and Ross, have identified four phases in
the agenda setting process. Issues are initiated, solutions are then specified, support for
these issues is expanded, and if successful, the issue enters the institutional (or policy)
agenda (Howlett and Ramesh 1995). This is a useful method to use in trying to
determine how the government appeared to change its mind about allowing industry
lead evolution of the producer boards.

Dryden Spring and Conor English believe it was the departure of several key state
personnel which helped get producer board deregulation on the policy agenda and also
explained the change in government thinking. English noted that the producer boards,
especially the Dairy Board had very strong linkages with the previous Prime Minister,
Jim Bolger, who "was not progressive on producer boards" (English 1999). Bolger was
ousted as leader of the National Party and therefore Prime Minister in late November
1997 and replaced by Jenny Shipley. When he moved on, said English, a barrier to
change was removed.

While Treasury views on producer boards were well known, Murray Horn, the
Secretary of Treasury in 1997 was not personally passionate about reforming them,
according to Spring. "He saw higher priorities and so did not push as rigorously as
might otherwise have been the case" (Spring 1999). However, Horn left the post of
secretary in August 1997 and until Alan Bollard15 was appointed in February 1998,
Mark Prebble acted as stand-in. "Certainly guys in the Treasury engine room saw this
as an opportunity to take forward something they had been working on for a long time,"
said Spring. "There's no better way for a civil servant to get his policy ideas in place than to get a Minister to announce them publicly." Spring saw it as a "Treasury trick of grabbing a Minister in a weak moment and getting something into the budget. Then the die is cast, as they thought" (Spring 1999).

John Luxton in an interview with the author said the issue of deregulation of producer boards "had been in the system for a very long time" (Luxton 1999). The Labour government did work within Treasury on deregulation in the late 80s, he said, as did Denis Hussey in the early 90s (Hussey 1993; Hussey 1993).

There was mounting pressure that farm incomes were going nowhere and many of us felt part of the problem had been that the legislative constraints were beginning to have a negative impact on people exercising options. We were being driven by the politics of the industries to produce more and more commodity without the focus of saying how can we add investment, new ideas, get brand presence in marketplaces how to get market access? If we tried to do everything out of a single monopoly provider out of New Zealand we weren't going to get far. There has also long been a view, not only in Treasury, but with others, that monopolies are not particularly successful, commercially, long term. And so there's a need there to get an element of competition into these areas. (Luxton 1999)

It is clear that Business Roundtable philosophies had found a ready ear in Luxton even if, as he claimed, he did not "have much contact with them" apart from "occasionally" seeing Roger Kerr at functions (Luxton 1999).

The more I have been in contact with people in the wider commercial sector and also listening to some of the policy advice, the more convinced I have become that the current structures have become quite a major constraint to our agriculture industries. (Luxton 1999)

In the meantime Treasury had been preparing information on the state of the dairy industry in late 1997 at the request of Bill Birch, the Minister of Finance (Treasury 1997). In this document Treasury noted that "a statutory monopoly can remove the need for efficiency, transparency, accountability and innovation in the marketing of New Zealand dairy produce." The rapid merging of co-operatives; the fact that the Dairy

15 Then chairman of the Commerce Commission
Board was proposing consolidation of itself and all processing co-operatives into a single company; comments made by John Storey; and the Federated Farmers document on the dairy industry appeared to have been catalysts for Treasury to push for deregulation (Treasury 1997). Treasury said these developments suggested the dairy industry was "ready for incremental change" (Treasury 1997). Ironic when it later became known that Treasury favoured immediate and wide-ranging change. The document considered the proposals by Federated Farmers and John Storey as "significantly better" than the consolidation of itself and all processing co-operatives into a single company being suggested by the Dairy Board, which it labeled as "poor".

It is also manifest from the documentation released under the Official Information Act that Treasury was willing to drive the move for reform. They had commissioned reports that appeared to back their views. The task now was, having identified the problem, producer boards; Treasury had to mobilise support for a solution - deregulation. Once that was achieved specific policies could be worked up. Finding support for change was not difficult.

Treasurer and Deputy Prime Minister, Winston Peters, the Associate Treasurer, Tuariki Delamere, the Prime Minister, Jenny Shipley, Minister of Agriculture, Lockwood Smith and Minister of Commerce and Associate Minister of Agriculture, John Luxton were ready to listen. The reasons for this are various. The new Prime Minister was keen to be seen actively managing the country and the economy after having replaced Jim Bolger. She was being actively spurred on by the Business Roundtable, contemptuous of the National government's slowness on further economic reform. According to Jim Sutton, Shipley was acting as a Masai warrior who had to be seen to be "killing her first lion" as the new Prime Minister (Sutton 1998). Lockwood Smith, as the Minister of Agriculture, had been warning all the producer boards to start preparing for the loss of their enabling legislation during late 1997 and, indeed, was
having confidential chats with board chairmen during February about a programme for change. Initially he favoured a more cautious approach, working with producer boards to evolve structural changes. With his background of previous employment by the Dairy Board he was well placed to work with it. Dryden Spring noted that while initially Smith may have taken the more cautious approach, "when he realised his position of Minister of Agriculture was in doubt he came into line very quickly" (Spring 1999).

Minister of Commerce, and Lockwood Smith's deputy in the agriculture portfolio, John Luxton, had been actively promoting the deregulation of the dairy industry and its opening up to competition (Luxton 1997; Luxton 1998). He was rewarded in December 1997 with a leap up the Cabinet rankings from 15th to fifth. He had supported Jenny Shipley in her bid for Prime Minister and now outranked Lockwood Smith. Winston Peters and Tuariki Delamere, as revealed in government memos of March and April 1998 released under the Official Information Act, supported Maori constituents, especially in the kiwifruit industry, in their desire to see the end to the statutory bodies (Peters and Treasurer 1998; Peters 1998).

An enigmatic figure that appeared to play little part in the debate, certainly at this early stage, was Minister of Finance, Bill Birch. However, he was noted as having requested Treasury to comment on developments within the dairy industry as mentioned earlier. According to media reports at the time, however, there was some dissension between Birch and Peters and it was not until the Coalition collapsed that Birch took a more obvious role in the deregulation debate.

With a majority of Cabinet in agreement it was time to convince caucus. Conor English believed the February 1998 caucus meeting in Invercargill was a turning point. This was an extremely long meeting, said English, and the deregulation of producer boards was discussed "vigorously" and a decision was taken then to proceed with it
Dryden Spring was convinced that caucus was not clear on what it was backing.

In that three-month period (after the policy announcement) when we heard nothing from government I kept asking non-Cabinet caucus colleagues what they thought. They were unclear and did not know. They backed the policy probably on the basis that it would mean working with the boards in a sensible manner (Spring 1999).

Not all of caucus agreed. Denis Marshall for one was known to be opposed to the policy being formulated and came out later in 1998 as opposing it publicly.

**The Decline of MAF**

A significant factor in the Treasury and Executive's ability to get producer board reform on the institutional agenda was the lack of any real opposition from a traditional supporter of the agricultural industry, the Ministry of Agriculture. The reality was that this state body was in serious decline. In fact MAF was being restructured for the seventh time in the last decade as the policy on producer boards was being initiated. The Primary Production Committee revealed the parlous state into which this ministry had fallen in a report to Parliament in February 1999 (Committee 1998). The hurried merger of the former Ministries of Agriculture and Forestry in a period of just seven months was unprecedented and caused financial, efficiency and staffing problems, said the report. Budgetary errors meant that functions such as policy advice were "significantly under-resourced." A freeze on the recruitment of policy analysts was the result and 10 out of 60 head office policy advice positions were vacant. This had forced the ministry to approach other government agencies to have staff seconded to assist with policy advice. A general 18% reduction in staff meant a loss of institutional knowledge, expertise and skill. Jim Sutton, Labour spokesman on Agriculture commented that MAF had been: "steadily trimmed away since I was closely involved with it in 1990. It's now like a diabetic old man which has had its limbs shortened several times" (Sutton 1999).
It is evident under these circumstances that MAF's voice in agricultural policymaking was severely limited. Even John Luxton, the Associate Minister of Agriculture and later Minister acknowledged that MAF was "not considered to be one of the strongest policy departments (Luxton 1999). Dryden Spring concurred. "MAF is not a significant Ministry any more" (Spring 1999). Other observers confirmed this view of declining influence. Kevin Ikin, from Radio New Zealand's Rural Unit saw MAF's role as "fairly quiet." "In terms of driving policy it's Treasury driving it much more than MAF" (Ikin 1999). Director of corporate communications with MAF, Debbie Gee, said in an interview in June 1999 that MAF could see that ultimately the producer boards situation would have to be looked at - that its statutory basis would have to be revisited.

But we did not necessarily see it was something that had to be made a political issue and that a finite time should be put on it. We felt producers should drive it themselves. Treasury disagreed with that and it was made into a Budget issue (Gee 1999).

Indeed in a memo released under the Official Information Act, MAF policy advisor, Dan Bolger stated that MAF wished to record that consultation with departments on producer board reform being promulgated by the Coalition government was "grossly inadequate, particularly in light of the importance of the issues" (Bolger 1998).

There was clearly a division of opinion between MAF and Treasury on how to go about reform of the producer boards. It was the Treasury view that seemed to be prevailing. Gee said MAF, while seeing the need for change, preferred to work with producers. Initially Lockwood Smith did flag this method, she said. It was considered a more prudent approach to plant the idea and get key players talking. "The last thing that was going to work was confrontation," said Gee.

It actually made people dig their toes in. Even if producers didn't particularly like their board, they would have tended to say, yes, they may be bastards but they're our bastards. We'll decide if we don't want them (Gee 1999).
The constant restructuring and dissolving of MAF meant that direct communication with the farming community also suffered. Many of the traditional functions of MAF, such as provision of farm advisers and the publication of Aglinks meant that over recent years MAF was slowly being cut off from the farmers they used to serve. Its strong editorial contact with the Journal of Agriculture had been severed several years previously. According to Kent Atkinson of NZPA, MAF used to run the biggest network of information sources for provincial newspapers, Medialink, outside his organisation. "Foolishly, they cut that too," he said (Atkinson 1999).

The Ministry of Commerce - the sleeping partner

As Debbie Gee noted in terms of the state agencies being involved in this particular policy, producer board reform was "a pan departmental issue" (Gee 1999). The third significant department involved was the Ministry of Commerce. At this time John Luxton was Minister of Commerce, and his stance on the issue had become well known, especially after his speech to the Dairy Section of Federated Farmers in June where he questioned the monopoly powers of the Dairy Board. "That hit the headlines," he said (Luxton 1999). When John Luxton was raised to fifth in the Cabinet the prestige of the Ministry of Commerce rose with him. However, the ministry still did not have as much clout as Treasury and was more of an acolyte than a prime actor on this issue. Ministry of Commerce along with MAF officials helped to form the Producer Board Project Team, lead by Tony Baldwin of the Prime Minister's office, which was established to guide the reform process. It was only later in the second act of this drama that the department was to come into its own, when the Commerce Commission sat in judgement on the dairy industry's proposal for a merger of all co-operative dairy companies into one giant organisation. It refused the initial proposal and as at February 2000, the dairy industry had still not presented it amended proposal.
Policy Formulation and Decision Making

On March 23, 1998 a meeting was arranged between the Minister of Finance, Associate Treasurer, Minister of Agriculture and Associate Minister of Agriculture to "discuss how to progress producer board reform" (Treasury 1998). In the document released under the Official Information Act the meeting was to discuss "the immediate and longer term objectives of the reform process; the "most appropriate strategy" to achieve these objectives and to "determine the next steps". A sub committee of ministers was set up to work through the options, the Ministerial Oversight Group. This, according to Luxton included the Prime Minister, Bill Birch, Luxton himself, Max Bradford, Bill English, David Carter, Tony Ryall, Lockwood Smith and others as interested (Luxton 1999). The Treasury document under the signature of Michael Papesch for the Secretary to the Treasury recommended that if the government was to meet its objective of leading microeconomic reform it needed to improve on the current strategy of allowing the producer boards to take primary responsibility for change. The paper recommended two strategies. The first was radical reform with an early formal announcement of the end of statutory monopolies. The alternative was to enhance the current strategy and move immediately on kiwifruit deregulation. By April 24 a Treasury document proposed the full deregulation of the kiwifruit industry from April 1, 1999 and a strategy for advancing reform of other producer boards (Treasury 1998). It was suggested that the agricultural ministers be invited to develop a communications strategy for the implementation period. Comment from the relevant Cabinet members was called for. The response from Lockwood Smith in consultation with John Luxton, was the proposal of a third option. This was that there should be a strong Budget message to reinforce the existing process (Smith 1998).

"The process already underway for removal of the producer boards' statutory backing is working," said Smith. "Implementing either of the two options suggested by
Communicating Agriculture

Treasury "would derail that process and seriously set back the pace of reform." Smith noted that the draft objectives - basically the need for efficiency and competition - had been developed "without adequate consultation and analysis", thus echoing the comments from MAF's Dan Bolger. "I believe that it would be useful to use the Budget to maintain impetus on producer board reform", said Smith.

This can best be achieved by reinforcing the government's position that deregulation will happen and reiterating the expectation that the boards and industries will present plans to the government by the end of 1998 (Smith 1998).

He added that the boards and industries that Ministers had spoken with would see seeking final plans by October 1 as suggested in one of the Treasury recommendations, as "a breach of faith."

This third option was then included in the Cabinet paper for consideration on May 4. In an aide memoire to Peters, Birch and Delamere for the Cabinet meeting on May 4, Treasury stated that the government's current approach, (and the one supported by Smith and Luxton) to reform was "unsatisfactory" and recommended option one - the deregulation of the kiwifruit industry (Treasury 1998). One of its reasons for suggesting a different strategy than the one currently underway in early 1998 was because "boards currently control the public debate and can put public pressure on the government to implement proposals, which may be contrary to the public interest"(Treasury 1998). Despite the urgings of Treasury, the policy that was finally agreed to in Cabinet and which was announced in the May Budget was basically the third option proposed by Lockwood Smith. It was also the option that MAF appeared to favour.

Conclusion

The focus of this chapter has been twofold. Firstly it has looked at the final element in the Governor Model of pluralism, the state, and outlined the major players. It has shown that within the state, like within interest groups, there can be a
variety of players pursuing their own interests on an issue, that they compete against each other and that dominant ones can emerge. It has also demonstrated that individual actors can have enormous influence on the direction in which the state eventually moves.

The second focus of this chapter was an examination of two out of the three types of agenda - the public agenda and the policy agenda, when looking at the dairy deregulation policy cycle. During 1997 and early 1998 the future structure of the dairy industry was certainly on the dairy industry and the Business Roundtable agendas. While the former were canvassing several structural options the Roundtable was canvassing only one - deregulation.

The main task was to assess how deregulation reached the policy agenda. To do this it was helpful to use the agenda setting concept using the three models of agenda setting. To recapitulate, the three models of agenda setting were – the outside initiation model, the inside initiation model and the mobilisation model. This particular policy appeared to contain elements of all three. The setting of the policy agenda had elements of the outside initiation model, for example. While there was no call by the dairy industry as such for a policy change there was another interest group, which was signaling its wishes loud and clear. The Business Roundtable was not only calling but demanding that deregulation of the Dairy Board be put on the policy agenda. Some dairy and farming industry group leaders also supported the Roundtable argument. In this instance, it seemed this group’s voice gained more legitimacy in the eyes of the state than the voice of the dairying interest groups. The reason the Roundtable’s voice gained ascendancy was largely because it appealed to like minded groups within the state who were in the position of greatest influence at that time and because the dairy community was divided. Roger Kerr even got to address the National Party caucus's economic committee in August, 1997 for example, gaining support for some of his views on
economic progress (TransTasman 1997). So it is clear that the second model of agenda setting also applied. The inside initiators were both powerful members of the Cabinet and officials from the strongest state body, Treasury. They drowned out those who were looking for more of a consensual approach such as MAF and Lockwood Smith. However, they did not have it completely their own way because at the time of decision making, of all the options put forward, it was the less radical option that was least favoured by Treasury that was accepted.

Government, against the wishes of the interest group directly affected and against advice from some within the state, did impose the policy, so it could be claimed this was an example of the mobilisation model of agenda setting. There had been no intimation that there was going to be a change of policy on the issue of producer board reform until late April early May 1998. In fact the policy decision itself was not made until a week before the Budget. So, insofar as it was not a carefully calculated and thought out policy it was a very weak example of the mobilisation model. Nevertheless there is considerable support for the mobilisation model insofar as the state tried to impose the policy without consulting those most affected by it. This policy process was not the open one considered by pluralists to be the ideal.

As it was later to prove, it was very hard for the state to mobilise support for a policy so imposed. After all, New Zealand is a liberal democracy and doesn’t usually take too kindly to authoritarian actions from its government. In fact the government fought a rearguard action for much of the rest of 1998 to justify its policymaking and struggled vainly to mobilise the support of dairy farmers and the Dairy Board. Because of the dissension within the government, there had been no clear communication strategy implemented at the time the policy decision was made, according to John Luxton (Luxton 1999). This was to add to the difficulties the state faced in convincing the public of the rightness of its actions. It came across as an ill conceived, superficially
reasoned and hasty piece of policymaking with little thought given to how it should be communicated to the public it affected. The next chapter will consider the area of communication in depth when it examines the media agenda.

What this whole policy process also demonstrates is that it is very difficult to pinpoint clear stages, processes, motivations and prime movers in policymaking. Kingdon’s notion of the “policy primeval soup” therefore becomes increasingly attractive. The idea that the three streams of policies, problems and politics come together at fortuitous moments appears to hold true in this case and the orderly policy cycle appears less of a realistic concept.

The dairy interest groups were struggling to reach a consensus about the future structure of their industry and trying to retain control of the process in the face of the interests of competing groups. The most significant of these was the rival group, representing powerful leaders of other economic interests in society, the Business Roundtable. The Roundtable was attempting to influence this consensus making and to prod both the industry and the state to consider radical change. Both bodies had extensive resources and capable leaders but the dairy industry was divided over which path to take its industry. This was not helped by the reluctance on the part of the Dairy Board to release information to its dairy farmers. The Roundtable was single minded in what that path should be - deregulation - and said so at every opportunity.

The question became - which voice would the state heed? Did the state arbitrate between these competing viewpoints from the interest groups as pluralism suggests? Within the state itself, there were competing views on which path the dairy industry should take. A powerful Treasury nearly overcame more cautious voices from within Cabinet and MAF. The final decision was a consensus for a less radical approach than that advocated by Treasury. However, to the dairy farming community the decision
appeared to be one made on ideological grounds rather than on solid evidence that the industry would be better off with deregulation.

The counter balance to both the state and the interest groups on this occasion, should have been the media according to the Governor Model of pluralism. It should have been assessing the issue dispassionately, moderating the various stances taken by the policy actors and providing viewers, listeners or readers with a clear picture of all that was involved in this particular policymaking process. Whether it did or did not do this is the subject of the remaining chapters of this thesis.

Endnotes


Chapter Six

The Media: Protagonist, Antagonist or Chorus?

Introduction

As indicated in previous chapters the convention when discussing policymaking has been to cast it in terms of a drama with those taking part in it termed actors or players. So far the three groups of actors involved in the policymaking have been depicted in light of the Governor Model of pluralism. It has been shown that mostly the basic elements of pluralism have been present. Once the role of the media specifically in relation to the dairy deregulation issue has been assessed, it will then be possible to determine whether in this instance the Governor Model was in balance.

In the Limelight

In keeping with the portrayal of this process as a drama, this chapter will consider what part the media played in the first act of dairy industry restructuring in New Zealand. It could be that the media is the protagonist - the leading actor in this play. Or maybe it is the antagonist, here understood to be the player or actor opposing the others in the cast, in this case the state or the interest groups. The third possibility is that of the chorus, as understood from Greek drama. As has been explained each piece of policymaking results in different configurations and liaisons between the relevant interest groups, the state and the media. For the Governor Model to work not all elements have to be working to their peak. It is enough that if one element is too strong another element is counteracting it. If an interest group is too strong, for example, it can be tempered by the actions of either the state or the media or both, if necessary. The ultimate goal is to achieve or maintain the overall balance of the system. No one group is more important than the other, as a general rule. But if one is weaker or stronger, then the others must compensate accordingly.
For scholars of policymaking, the rarest role for the media would be that of protagonist although some theorists claim a starring role for the media, for example Chomsky and Parenti (Parenti 1993). Many would see the role of antagonist sitting very comfortably with the media. "Negativity is what comes to people's minds as the basic news value," says Allan Bell, author of The Language of News Media (Bell 1991 p 156). This negativity encompasses damage, injury or death as the result of disasters and accidents and conflict between individuals, groups or nations and deviance of various sorts. But it is the third role, that of the chorus, that is worth dwelling on in detail because it may be that this is more properly the role of the media within policymaking.

Precisely how the chorus fitted into Greek drama and how it has evolved as a theatrical device since has striking parallels to the role and function of the media in a pluralist democracy. Carol Strohecker from a Mitsubishi Electric Research Laboratory (MERL) in Cambridge Mass. used the theatrical device of the Greek chorus as a model for interactions with a computational narrative (Strohecker 1999). Her analysis of the Greek chorus seemed applicable also to the role of the media in a modern pluralist democracy.

The chorus traditionally was a device, which served as an intervening layer between the audience and the action on stage. In such a model the chorus (media) would interact by querying the other actors to unfold details of the plot and to reveal different perspectives on the characters and events to the (media) audience. Traditionally, a chorus would not change the course of events or modify the characters, however some media scholars claim that the media has the power to do this. But the role of the chorus has since evolved and in many similar ways to that of the media. Initially the chorus was separate from the actors in role, location and appearance but over time they merged more and more with the actors and the action. While initially acting as one group gradually chorus members emerged as individual speakers. And before, where the chorus members were indistinguishable from each other, over time some chorus members began to appear as
personalities with particular views on issues and events. Where the chorus was "originally a theatrical device whose function was to express mood or tone and whose contribution was to "witness, comment or clarify" (Strohecker 1999), the chorus gradually shared responsibilities for delivering pieces of the narrative. "Thus the chorus may personify, magnify, subdue, transpose, interpret, retell, frame or give perspective to the narrative action" (Strohecker 1999). So the chorus may fill in holes in the story, and foreshadow or reflect the action. The media then could be likened to the chorus in relation to the activities of the other actors in the drama - members of the interest groups and the state. As attention now turns to the time in which the policymaking in question occurred we can bear in mind these three roles as we examine what impact if any the media had on the policymaking process and what sort of coverage if any it provided on the issue.

A Media Agenda?

At this point it would be helpful to reiterate the time frame of this discussion. It has been demonstrated that the public and state agenda setting took place from around mid 1997 until early 1998. The formulation of a government policy and the decision on which policy option to implement was hurried through in time for the May Budget. The actual implementation of the policy was dependent on the producer boards actually doing what the government had requested. This was that all producer boards and industries “form plans for how they will operate without specific statutory backing, and to consider the timeline for deregulation” (Peters 1998) and this by November 15. Such was the disfavour with which producer boards looked upon the policy that it was not certain that any or all of the producer boards would comply with the directive by the six months deadline.

As mentioned in the previous chapter scholars have identified three types of agenda – the public agenda, the policy agenda and the media agenda. Werner Severin and James Tankard describe the agenda setting function of the media as referring to the “media’s capability, through repeated news coverage, of raising the importance of an issue in the
public’s mind” (Severin and Tankard 1997 p 249). John Kingdon noted that the media is often portrayed as a powerful agenda setter and he conceded that the mass media “clearly do affect the public opinion agenda” (Kingdon 1984 p 61). As well “media attention to an issue affects legislators partly because media affect their constituents.” However, when Kingdon looked at specific policymaking he found a less than anticipated effect by the media on the policy agenda. Other scholars working in this field have confirmed this, for example, John Fisher (Fisher 1991). Kingdon attributed this to “the press’s tendency to cover a story prominently for a short period of time and then turn to the next story, diluting its impact” (Kingdon 1984 p 62).

In New Zealand under MMP: A New Politics? Boston et al drew up a table showing how the policy cycle works under MMP and at what stages political parties, interest groups, the state and the media could influence the policy process (Boston, Levine et al. 1996 p 156). For the media, its influence is observable at problem identification, public agenda setting and policy evaluation, said the authors. According to them the media has little influence at the government agenda setting stage, in policy decision making and in policy implementation. As mentioned in Chapter Two, Kingdon observed that the media is more inclined to report what is going on in government rather than having an independent effect on government agendas.

A large part of the remaining chapters will be devoted to what has been called second level agenda setting or the framing of issues in the media during a particular period. At this stage will be considered the methods or techniques used by the media to give attention to issues. This has been called the "priming" function of the media or "the process in which the media attend to some issues and not others and thereby alter the standards by which people evaluate" issues (Severin and Tankard 1997 p 258). But first we must answer the question; did the media set the deregulation agenda during 1997 and early
1998? The answer seems to be no. Kent Atkinson of NZPA was quite blunt in saying that he believes there is an over inflated view of the power of the media in New Zealand.

It's bullshit, basically! I don't think anyone could realistically say that the media set out to change the producer boards in New Zealand. Often policy changes aren't widely discussed until they are proposed in Wellington. Once proposed they get discussed in the provinces and the media is useful in facilitating and carrying that debate and useful in carrying the sense of that debate back to Wellington to indicate how people are feeling (Atkinson 1999).

These comments resonate with those made by John Fisher in his study of news media functions in policymaking. He concluded that during most stages of the policy cycle, the mass media functioned in informing the public rather than persuading them (Fisher 1991). Certainly in the New Zealand instance none of the news media, if they commented at all, speculated that there might be a change in government policy until early February 1998. None were advocating a change in the current situation at this stage. Of course, it has been demonstrated that the government itself was not sure until maybe a week before the Budget just exactly what the policy was going to be. While the various media had covered speeches made about producer boards by government Ministers, members of the Business Roundtable and interest group leaders, very few picked the policy announced in the Budget on May 14, 1998. The closest any journalist got was Ian Templeton in TransTasman on February 4 when he intimated that producer monopolies were to go.

Smith is to call in the chairmen of the various boards over the next month to advise them that he expects the boards to give up their powers by the end of the year (TransTasman 1998)

This is not particularly surprising when one considers journalist and commentator Ian Templeton, the longest serving member of New Zealand's Parliamentary Press Gallery, edits TransTasman. The newsletter is a conduit for information from the highest levels of government and business.
It is used by senior ministers to signal their evolving policy decisions and to background cabinet outcomes; policy analysts in government departments for input into policy issues and to keep track of progress through cabinet committees: industry groups to inject their views (TransTasman 1999).

In the March 5 edition of TransTasman, it was noted that "Smith's plan was greeted with disbelief in some farming circles" (TransTasman 1998). It is likely that many journalists were also caught unawares by the proposal for deregulation. None had voiced the possibility of it occurring in the budget. If the media had had an influence on the state agenda it was inadvertent. As far as the public agenda is concerned some media did canvass the options for change that were being considered but few went beyond that to consider the likely impact of any of the options.

Apart from the NZ Herald, which drew upon the expertise of Wayne Cartwright and Richard Brookes from Auckland University, few media solicited the opinion of relevant academics to explain the larger picture. This may have been due in part to the fact that many of these academics were already contracted to work for some of the major participants and were therefore unable or unwilling to elucidate matters for the media and a wider audience. Philippa Stevenson attested to this when she tried to find an academic to comment on the mega company proposal, which she felt lacked real analysis. Despite her attempts she failed to find an academic free or knowledgeable enough to comment (Stevenson 1999). The author discovered the same problem when she asked for an opinion on the issue from academics at the Agribusiness & Economics Research Unit, at Lincoln College. Two who might have assisted were advising the Commerce Commission on the dairy restructuring debate and so felt unable to comment. Despite the knowledge of many of the agriculture reporters, the proposal to deregulate the Dairy Board is an extremely complex one with few certain of the outcome of such a change. This was not helped by the lack of independent expert input into the debate. Frank Scrimgeour of Waikato University,
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for example, was quoted by the media but had been commissioned by the Business Roundtable to report on the issue.

So during this period, the media was not only not the protagonist it was not a particularly effective chorus either. It may have witnessed and commented, as the traditional chorus identified by Strohecker did, but tended not to clarify. Neither did it do very well what a modern chorus now does - personify, magnify, subdue, transpose, interpret, retell, frame or give perspective to the narrative action or fill in the holes in the story. After the May Budget announcement it was a slightly different picture and one that will be examined in more detail later in this chapter.

Meanwhile, if the media was neither protagonist nor chorus was it then antagonist? In the minds of some in the government it was seen as such. John Luxton certainly saw himself as being painted the villain of the piece by the media during 1997 and 1998 (Luxton 1999). Generally he believed that the role of the media concerning government policy had changed over the past two decades. While previously a Minister's statement on an issue might receive a direct quotation today it is different. Today if a Minister makes a policy announcement, said Luxton,

no matter how good it might be, the media's attitude is normally 'who can we find who is most adversely affected by it?' and so the lead item is someone complaining about what the government is going to do to them (Luxton 1999).

Conor English, Luxton's private/press secretary definitely felt the media and the interest groups were antagonistic to him personally and to his Minister. At the time the author interviewed him, English was considering suing The Dominion for an article in which he believed he had been defamed. "Generally they (some media and the Dairy Board) hammered the messenger," he said, "that article being an extreme case of it."(English 1999). Jim Sutton, at the time of the issue the shadow Minister of Agriculture for the Labour Party was another who believed the specialist media in particular was antagonistic
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towards the Labour Party. There has been "fairly consistent political bias over the years with some laudable exceptions," he told the author (Sutton 1999).

When I was Minister of Agriculture I would be in things like Straight Furrow and NZ Farmer pretty regularly but no less regularly than two or three Nats and the sub editing of my stuff was very often hostile. They would pick out some feature in a story that was not the central feature but which could be put in a way that amounted to Labour propaganda. They....generally treated us badly and if they could, would kick us in the goolies and frequently did. Once National is the government, the Minister will appear in a photograph form and quoted in that mainstream specialist media at least four to five times more often. Very few Opposition press releases run in the specialist media when Labour is the Opposition. Almost all the National Opposition press releases appear. I don't think I'm being paranoid. I don't think the mainstream media is biased. We all get badly reported from time to time. That's perfectly natural. I don't feel the media, in general, is biased whatsoever. But the specialist rural media is (Sutton 1999).

As mentioned previously the news value of negativity enhances the impression of the media as antagonist. Fortifying this view, Luxton commented on television coverage of the issue: "TV is not interested in agriculture unless there's a huge barney"(Luxton 1999). It helps to explain why there was some television coverage after May and during the research period when irate growers and producers of all sorts met and loudly called the government to account. The prospect of a procession of tractors to Parliament steps would be good television footage! Noise attracts the media.

**Why Agriculture Became News**

The argument being proposed in this chapter is that it was not until the deregulation policy announcement was made that the mainstream news media really began taking an interest in the issue. The specialist media had been following it fairly consistently for several years although few if any of them picked the Budget announcement. And the reason deregulation and therefore agriculture suddenly became "sexy" or salient was related to news values - in particular negativity. Conflict between individuals or groups is a staple and here we had some very angry growers and producers tackling the government
and its policy in a very vigorous and noisy way. There was conflict between two elite groups - the Business Roundtable and the Dairy Board. There was conflict amongst the agricultural groups representative of farmers, Federated Farmers and the Dairy Section of Federated Farmers. There was conflict between the two largest dairy companies, Kiwi and Dairy Group. There was often conflict between individual farmers on the issue of deregulation. Negativity was also evident in the whole media response to the coalition between NZ First and the National Party and there was continuing and continuous speculation on just how long the partnership would last and whether there would be a snap election. The fuss created by producer groups after Peters' announcement in the May Budget added fuel to the media speculation.

As if that were not enough, negativity still does not explain the media interest in the issue entirely. There were other news values in play. These include the eliteness of the news actors and of the news sources involved. In this instance we had the Prime Minister, Jenny Shipley and two of her leading Ministers, John Luxton and Lockwood Smith taking a very strong line which was in open conflict with the leaders of arguably the largest and most powerful business group in the country, the Dairy Board. It helped that one of these leaders also happened to be well respected and one not noted for sticking his neck out, Sir Dryden Spring. As noted earlier, Spring had had a harmonious working relationship with the previous Prime Minister, Jim Bolger, whose good friend he was. But of course, the Coalition government was also in conflict with other producer boards and their leaders over the issue of producer board deregulation so even larger groups of people were involved in this particular news story and all from the most significant economic sector in New Zealand.

Another news value of significance here is recency, described by Bell as "something which has only just happened" (Bell 1991 p 156). After the announcement in May many of the producer boards held ad hoc or their normal annual meetings to which government
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Ministers such as Lockwood Smith, Jenny Shipley or John Luxton were invited to speak. The resultant furore made good copy for journalists. Because New Zealand is such a small country the news value of proximity is significant. Because farmers and growers can be found in every part of the country and because they are so crucial to the economy what affects them will tend to affect everybody. Another news value of significance in this instance is that of unexpectedness. Certainly few media predicted the policy announcement of May and none but the specialist agricultural media seemed prepared for the outrage of the normally conservative farming sector. This was foreshadowed when the by-election for the rural Taranaki-King Country electorate vacated by Jim Bolger was held in early May 1998. The electorate vented its anger on the National Party by voting for other parties in what was called by *MG Business* columnist, Hugh de Lacy the

first wave of a sea-change in agricultural political alignment which will, within say nine years, see rural communities become as much part of the left wing... political landscape as they are now part of the right (Lacy 1998).

The swing to parties other than the National Party at the Taranaki-King Country by-election reflected "farmers' anger at their impoverishment and disenfranchisement by the coalition's agricultural freemarket looniness," declared de Lacy.

Amongst other news values, Tuchman's facticity is relevant (Tuchman 1978). Bell describes this as "the degree to which a story contains the kinds of facts and figures on which hard news thrives: locations, names, sums of money, numbers of all kinds (Bell 1991 p 158). We have seen some of this in chapter four in the description of the significance of the dairy industry to New Zealand. In describing the dairy industry, in particular, the media can rely on superlativeness, another relevant news value and the news value coined by Bell, continuity. "Continuity says that once something is in the news, it tends to stay there," said Bell (Bell 1991 p 159). The long running drama of dairy industry restructuring fits this criterion superbly. Not only that, it also provided for another news
value described by Bell - predictability. By specifying a compliance date - November 15 - it gave journalists ample ammunition for "will they, won't they" speculation.

Influences on Media Content

Shoemaker and Reese proposed the following five major categories of influences on media content (Severin and Tankard 1997 p 268). The first is the influence on content of traditional media workers. In this case, as has been previously explained journalists who have reported on the agriculture sector, especially print and radio journalists, have done so for a considerable number of years. They have experience and knowledge, which should enable them to report on agricultural issues competently. But it was the press secretaries and communication officers working on behalf of state officials and interest groups that also played as equally an important, maybe even crucial, role in the time under study.

Within the state, a private/press secretary whom observers saw as a significant influence in this particular policy process served John Luxton. Conor English came to Parliament from Federated Farmers where he had been a policy advisor. He became Luxton's adviser when he was Minister of Commerce and followed him into the Food, Fibre and Biosecurity (previously Agriculture and Fisheries) portfolio. On the issue of the producer boards, observers said English was as passionate about deregulation as Luxton was (Gee 1999) and he wrote most if not all of Luxton's speeches on the issue (English 1999). Debbie Gee, director of corporate communications for MAF believed that in many instances English did not assist his Minister's cause.

When a press secretary is so committed to the line they lose credibility. Conor just wanted to brow beat everybody. I personally felt it was counter-productive. He let his own personal views cloud his judgement(Gee 1999).

Kevin Ikin of Radio New Zealand was another who "got the feeling" Conor English was a driving force behind the Minister's deregulation stance.
He was certainly an enthusiast for the message. There was so much coming at you from that office. There were releases every five minutes, most, of which you ignored basically. In the end he didn't do the cause any good. He got people's backs up, as you would do. He didn't know how to moderate it. He made the Minister look stupid on several occasions (Ikin 1999).

According to Jim Sutton, Conor English was sometimes difficult to tell from his Minister, they were so ideologically compatible (Sutton 1999). Many draw contrasts to earlier time when civil servants were noted for their political neutrality.

Representing the view of the Dairy Board was long serving Neville Martin, described by many media communicators and others as the "most experienced PR person in town" (Ikin 1999). His 29 years as the spokesperson for the Dairy Board is probably unparalleled in an industry noted for its high turnover. Martin's philosophy is based on understanding media requirements and "performing at any cost so you become trusted and relied upon" (Martin 1999). "The media is a powerful ally," he said. Communicating with journalists is

best done through reason - taking people through stories - sweet reason not large dollops of largesse at lunch time. There is no great secret to it. People assume I am successful because I control the media. I detest the word. Garbage. I don't control the media. One works with media people. It is no secret one is trying always to get across the board's point of view. One is open about that. I am respectful of the people I am working with (Martin 1999).

The second major category of media influence on media content is that of media routines and this will be examined in more depth when looking at specific reports carried by the news media in the designated three months, especially such things as objectivity, and reliance on official sources. The issue of deadlines, time constraints and space requirements will not be considered in any depth here. The third category concerns the organisational influences on content and already we have alluded to commercial constraints on media organisations, which have impacted on the journalists' ability to carry out their role effectively. The commercial goal of making a profit has seen constraints on
staffing and resources. The fourth category concerns the influence on content from outside the media organisations. As has been demonstrated all the major interest groups and some state sectors had extensive communications strategies and active and well-established public relations departments, which were well able to convey their respective points of view to the media. While John Luxton had his own press secretary to write his press releases and speeches, Jim Sutton, for example, wrote his own despite being able to call on the Labour Party's media unit (Sutton 1999). Many other Members of Parliament also commented on the issue through official press releases. And these included Winston Peters, Owen Jennings, and Peter Dunne to name a few.

The final category noted by Shoemaker and Reese concerned the influence of ideology on content. This often reflects society wide views, in particular the “belief in the value of the capitalist economic system, private ownership, pursuit of profit by self interested entrepreneurs and free markets” (Severin and Tankard 1997 p 268). Many observers whether in the media, the interest groups or the state were very conscious of ideology in this particular piece of policymaking. Some members of farming interest groups generally accused the government together with some branches of the bureaucracy along with the Business Roundtable of subscribing to a particularly virulent brand of New Right ideology. However, farmers themselves probably subscribed to a much less radical form of the same ideology.

**Three Months of Media Coverage**

The media coverage of the deregulation issue chosen for a detailed examination were the three months leading up to the November deadline, namely September, October and November 1998. Which time period of the policy debate to address was a difficult decision to make, but was eventually made on the basis that events leading up to November 15 represented the denouement or resolution in the first act of this deregulation drama. The May Budget announcement, thus, was seen as the climax of several months, even years, of
debate. It was felt that examining the media coverage at this latter stage would provide a fair representation of all possible aspects of the issue leading up to the final phase of policymaking.

Having made the decision as to the time frame of coverage it was then necessary to decide which media would receive attention. As outlined in Chapter Two it was decided that for a just account of the media coverage a range of appropriate media should be included. This has resulted in the examination of the coverage given by 17 different magazines, newspapers or other mainstream or specialist print media. (Figure 4.) Rather less attention has been given to television or radio reports. These have not been ignored entirely, however, but will be treated separately.

One of the first tasks was to determine whether these selected media had provided any coverage at all of the deregulation issue as it affected the dairy industry. It should be said that I chose the particular media because there was a good chance that they had provided some coverage. As well the choice reflected a mix of ownership and a wide geographical spread. All four metropolitan dailies were chosen, as was the biggest regional paper. The two main business publications were included as was the major Sunday paper and the national magazine, The Listener. MG Business was included because it carried a regular agribusiness column. In several cases, there were publications where one might have expected coverage and there was none, for example, North & South, NZ Business and Management. These publications therefore were excluded. News items from TV1 and a radio documentary from Radio New Zealand will also be examined.
The choice was made to include the three leading general farming publications and the two major dairying publications. Excluded were *Farm Equipment News* and *The Dairyman* and other regional rural media. In addition Ian Templeton's weekly newsletter
TransTasman was included because, despite being only a four-page product, it regularly carried short items on the deregulation debate. Thrown in for good measure was the specialist food technology magazine, Food Technology in New Zealand, whose columnist Birger Nordmark consistently displayed a shrewd and knowledgeable insight into the dairy industry. Articles and stories collected from all these publications related solely to the deregulation debate as it affected the dairy industry but stories were also included that mentioned the general producer boards' debate but carried specific references to the dairy industry. As far as television and radio are concerned, a request was made to TV1 and this station supplied the transcripts of all television coverage in the period on the issue of producer board deregulation. Radio New Zealand supplied a cassette tape of a two-part Insight programme on producer boards written and presented by Kevin Ikin and broadcast in November 1998. Ikin said that he had gone through the Radio NZ records in the three-month period and there had been radio items on the producer board issue "most days". "There was lots of information, certainly," he said, "with it gradually increasing towards November" (Ikin 1999). It was decided it would be too difficult and time consuming to try and retrieve these radio items so the examination will concentrate on the Insight programme.

Research into the three months of stories considered six different aspects of coverage. The first task was to determine the amount of coverage all the print stories on the issue of whatever length were collated and counted and a rough estimate made of the word length of each. That provided very crude data and said little about how important the various media regarded each particular story. More clues were gleaned from the prominence with which the stories were displayed. This was the second aspect to be examined in the research. The prominence of the stories was deduced from where the story was positioned in the paper - up front on page one or buried in the back of the paper, for example. The supposition was that the more important the story was considered the further
towards the front of the paper it would be situated. Also of interest in this context was in what section of the paper a story fell - on the general news pages, business pages, farming section or opinion/editorial pages. Once on a page a story's prominence was also deduced from its particular treatment on that page - whether it was above or below the fold, whether it had large or small headlines, a byline, pull out paragraphs or accompanying photographs.

A third aspect of coverage examined was that of attribution, to determine whether a range of sources were quoted and to see whether, as critics claimed, journalists tended to rely on elite or "Known" (Gans 1979 p 8) sources for their information. A further reason was also to see whether all groups or individuals that had an interest in the issue were getting their voices heard whether they were from the relevant interest groups or the state.

A fourth important consideration for this study was whether news journalists were followers of the news, the so-called lapdogs, who tended to rely solely on news handouts or press releases for their stories or whether there was some sort of investigative work apparent on the part of the reporters. On the issue of deregulation most of the government, opposition and interest group press releases were available for comparison with editorial printed in the media so it was relatively easy but time consuming to test one against the other.

A fifth aspect of this study was a consideration of whether journalists followed what Shanto Iyengar called thematic or episodic framing (Iyengar 1991). While Iyengar focussed on television news his comments were nevertheless relevant to print media also. He contended that television routinely reported news in the form of specific events or particular cases - his term being episodic framing. This is contrasted with thematic coverage which places political events or issues in some sort of general context and a method one would expect to find more often than not in the print media. It is also
consonant with the chorus theory of the media propounded earlier in this chapter. A thematic treatment of an issue assists the reading or watching public in gathering evidence toward a "logical, ultimate consequence" claimed Iyengar. So part of this study involved examining stories to see whether they were episodic or thematic. It also segues into a consideration of the difference between straight news reporting and commentary, fact and opinion and whether there is any longer a distinction between the two.

The sixth and final task of the study was to provide a brief look at the "make-up" of the stories as Bell called it (Bell 1991 p 175). This entailed an assessment of some of the language used therein. Although this was only a cursory assessment it should be enough to answer whether the media was indeed an antagonist on this issue - in other words, whether any or all of the media were biased against a particular group or groups or various sectors of the state. This was necessarily a qualitative and subjective approach but nevertheless a revealing one.

Some Difficulties

Deciding to survey more than 17 different media outlets created special problems, not the least being the logistical one of finding all the stories in the time frame from so many different sources. It was almost impossible to accurately ascertain how the media coverage within the three months compared with any other three-month period during the policymaking cycle. There was an impression gained that the coverage was greater from September - November 1998 but this is far from being a categorical statement because there is no evidence supplied to support it. This being so, there was no way of comparing the amount of coverage in the chosen period with any other three-month period either. This meant that coverage between media was all that was possible and this came up against the difficulty that in some cases one was comparing apples with bananas - daily mainstream papers, such as the NZ Herald, for example, with fortnightly or monthly specialist publications, such as The Dairy Exporter.
Despite these setbacks, it was still considered valuable to follow Benjamin Page's precepts outlined in Chapter Two that we should look at what all the media say - the totality of political information that is made available "because much of it may make its way ... to the public" (Page, 1996). The task of the preceding chapters has been, in part, to outline the events that occurred in the three-month period and to pinpoint the major players involved from the state, the interest groups and the media. It is now the task of the final chapter to assess the function and role of the media in the designated agricultural policymaking process. Then it will be possible to draw all the strands together and to then deliberate on the Governor Model. The conclusion will disclose the state of the model.

Most of the information used in this thesis would have been available to any journalist who chose to look for it. The final chapter will examine just how well the journalists performed as chorus.

Endnotes


Chapter Seven

Reporting on the Media

Introduction

This final chapter of the thesis is devoted solely to an investigation of the media coverage of the dairy industry deregulation debate as it occurred from September through to the end of November 1998. It makes a comprehensive scrutiny of 17 print media and two broadcasters and focuses on six different aspects of coverage. The first three include a study of the amount of coverage provided by the selected media, the prominence these stories on the dairy industry debate were given in the different media and how great a variety of sources were used by journalists. Next, an examination is made of journalists' use of press releases to discover just how dependent they were on them in that period. The fifth aspect to be studied was whether journalists just wrote stories as events occurred or whether they attempted to provide some sort of context and analysis of the dairy restructuring issue in the three months. The final task was to assess the language used, in particular in the headlines, to determine whether there was a specific framing of the events under scrutiny. The results of this investigation should give a very clear picture of just exactly what role the media played during this particular portion of policymaking. Also revealed will be the relation of the media to the other two elements of the Governor Model - the interest groups and the state. As a consequence of all this research, in the conclusion, the state of the Governor Model of pluralism at this particular moment in 1998 will be determined and questions as to the stability and balance of the model will be answered.

Making the Tally

In the three months from September 1 to November 30 1998 there were 323 stories\(^\text{16}\) published in the 17 media selected for this study, an average of around 107 each month. Of course, listing the total number of stories published gives no real indication of how well the media performed. There is no clear-cut method of judging what the optimum number of stories should have been on the issue in the selected period. What can be done is to compare the coverage of the various publications, to judge what that coverage entailed and to speculate on its adequacy.

Stories within the selection of 323 ranged in length from the smallest consisting of 26 words to the longest of 2610 words (word length is approximate). Leading the pack

\(^{16}\) The term "story" or "stories" is the traditional journalistic one for items that appear in the editorial sections of newspapers and will be the one used in this thesis.
with 51 stories and heading off even the specialist rural publications was the country's largest metropolitan daily broadsheet, the *NZ Herald*. However, only one story behind was the Dairy Board's magazine, *The Dairy Exporter* (50) followed by the general rural tabloid, *Rural News* (39). The rest had less than half the number of stories of the *NZ Herald*. Six publications came within the range of 20 - 25 stories (*Waikato Times* (25), *The Dominion* (24), *Dairying Today* (24), *NZ Farmer* (22), *The Press* (21) and *Straight Furrow* (20).

**Figure 5:** Number of stories for each publication in the three month period, September - November, 1998. (See Appendix A.)

The remainder had 16 or fewer stories. It is noteworthy that the South Island metropolitan papers, *The Press* and the *Otago Daily Times* (*ODT*) had such scant coverage. Especially significant was the Christchurch-based paper, the second largest by circulation in the country. As will be shown later, the stories from these two papers were also quite short and there was an observable reliance by *The Press* on its sister publication, *The Dominion* and NZPA for stories. This might in part be explained by the fact that Canterbury is not a significant dairying province. However, it also demonstrates that *The Press* does not appear to rate the national significance of dairying to the nation. One would also have also expected a greater number of stories than 16 from the *ODT*, especially considering the growth rate of dairying in Southland. Some argue that dairying is new to the province pointing to the number of sheep farms being converted to dairying. But as Brian Hight indicated they have forgotten that Southland was originally dairying country, which converted to sheep farming in the 1960s (Hight 1999).

It could be argued that of course the *NZ Herald* would have the greatest number of stories because its circulation area takes in the Waikato where dairying is a highly significant business. However, the contention of this thesis has always been that the dairy industry restructuring issue and agribusiness generally is not geographically particular and is of concern to all citizens, not just farmers. As has been explained in a previous chapter the *NZ Herald* has recognised this. In that respect then, the national business weeklies do not appear to have performed well on sheer number of stories - the *NBR* with just four in the three-month period and *The Independent* with 13.

As indicated earlier, the stories from all publications ranged greatly in length. In the case of *Food Technology*, *MG Business* and *The Listener*, their stories were generally feature length, namely, more than 1000 words. There were 39 feature length stories in the
three-month period, almost a quarter of them run by *The Dairy Exporter*. In contrast, the *NZ Herald* had only the one feature length article.

**Figure 6: Approximate number of total words per publication in the three months period September - November 1998. (See Appendix A)**

There was a striking difference between the two national business weeklies on this basic point of word length alone. The *NBR*’s four stories were on average just under 240 words each while *The Independent*’s 13 were on average more than three times that length at around 870 words. Just by looking at that raw data on its own one could speculate that, despite the fewer number of stories, (than say the *NZ Herald*), *The Independent* did attempt to cover the issue in depth. This certainly fits with the comments made in an earlier chapter by agricultural columnist, Bob Edlin about how the editor, Warren Berryman viewed the importance of agribusiness.

After removing the one or two features run by *Food Technology*, *The Listener* and *MG Business* and the 200-odd word items, which are the norm in *TransTasman*, the average length of a story in the group was around 550 words. This is not a lot of space for an in depth look at an issue - barely providing a scratch at the surface of the issue. Six publications fell within an average of 100 words on either side of that mark. Those with stories of fewer than 450 words on average included the previously mentioned *NBR, NZ Farmer, The Press* and *The Waikato Times*. Those publications whose stories were more than 650 words on average included *The Dairy Exporter, Straight Furrow* and *The Independent*. So for sheer quantity of stories and words the clear leader was *The Dairy Exporter* which produced almost 35,500 words in text on the dairy industry issue in the three months. The *NZ Herald* published around 23,000 words with *Rural News* again coming in at third place with about 17,000 words.

With just the information we have gleaned so far the contention that dairy farmers are better informed by their specialist rural publications is already being demonstrated. The exception to this is the *NZ Herald*. But while the *NZ Herald* has made a strong showing so far regarding amount of coverage, certainly well ahead of the other dailies in both number of stories and text space devoted to them, the average size of its stories suggests little space for in depth analysis. Quantity does not mean quality and later in the chapter some attempt will be made to judge the quality of the writing.
Position! Position! Position!

The stories that appear in publications are not the work solely of the journalist whose byline appears with them. The final article that appears is the result of a complex process involving many people in the editorial newsroom and elsewhere in the media organisation. While the journalist has some control over the words that appear she has little say as to where that story will appear in the paper, what size it will eventually be, what the headline will say and what images might accompany it. The decision as to where that story is to be placed is made by news editors and those further up the editorial chain of command. Some idea of the philosophy of the media organisation and which news values it considers important can be gleaned by an examination of exactly where stories on particular topics appear.
The most newsworthy stories in the eyes of the editors usually appear towards the front of the news section or at the front of specialist sections. The prime position is on the front page. During the three months examined, a story on the dairy deregulation issue appeared on the front page of broadsheet and tabloid publications 11 times, and in three instances was the lead story.17

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17 The first of these was a lead by Rural News on September 7 "Spring cleaned out!" (Rawlings 1998) which focussed on the surprise resignation of Dryden Spring as chairman of the Dairy Board on September 3 (NZDB 1998). While there were many stories carried by all the media on this event, Rural News was the only one to give it front page coverage devoting around 750 words to it. The next event that gained front-page coverage from The Waikato Times, The Press, The Dominion and the NZ Herald from October 13-15 was based around the Dairy Board's annual meeting when Dryden Spring, John Luxton and Helen Clark spoke on the issue of dairy industry deregulation. It was also Spring's final appearance as chairman of the board. Able to lead first because it is an evening paper was The Waikato Times with a 220 word item, "Spring has final cut at deregulation" by Duncan Gillies (Gillies 1998). The following day The Press and The Dominion both led with identical stories by Victoria Main. In The Press it was headed, "Rebellious farmers to call Nat's bluff"(Main 1998) and in The Dominion, "Dairy Board to defy Govt" (Main 1998). The Press followed this with another small item, "Plan costs votes - farmers", the following day at the bottom of the front page with comment from local farmers on the events of the previous day's story (Chalmers 1998). On October 15 the NZ Herald ran a five column lead across the top of its front page, "Farmers force backdown - Dairy Board monopoly stays for now" (Laxon and Christian 1998). The next set of lead stories fell around the period November 12-13 and just before the government deadline for producer boards to hand in their plans for life after deregulation. On November 12 the NZ Herald, The Press and The Dominion ran front-page stories below the fold entitled "Govt backs down on boards" (Laxon and Christian 1998), "Govt retreats from producer board reform" (Staff 1998) and "Luxton backs off trading board reform" (Venter 1998). The Dominion followed this up the next day with another front-page item, "Luxton rejects calls to resign over boards" (Venter 1998). On the same issue, Rural News on November 16, ran its front-page lead, "Luxton backs down - yet Feds push deregulation agenda" (Staff 1998). The final front-page story in the period came from The Waikato Times on November 20 and was entitled "Dairy reform may cost $1 billion, says Storey" (Middlebrook 1998).

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3 Three editorials in September commented on the replacement, early in September, of Lockwood Smith as Minister of Agriculture with John Luxton as the new Minister of Food, Fibre and Biosecurity (Editor 1998; Editor 1998; Edlin 1998). Two editorials addressed the resignation of Dryden Spring as chairman of the Dairy Board (Editor 1998; Editor 1998). The Press made a gaffe in its editorial of September 22 "Retaining producer boards"(Editor 1998) in an otherwise reasonable attempt to canvass the arguments on the producer board debate, by still referring to the Minister of Agriculture as Lockwood Smith. John Luxton had replaced him earlier in the month. During October The Dominion editorialised that "single-desk selling vital"(Editor 1998), The Waikato Times commented on fallout from the Dairy Board annual meeting (Editor 1998) and The Independent asked "Why gov't denies farmers their civil liberties" (Berryman 1998). The Dairy Exporter's editorial of October said a "Creative response needed to concerns of last quarter " (Editor 1998) and, finally, Warren Berryman in The Independent reiterated his argument of earlier in the month that farmers or growers should not be forced to supply their milk or apples to one marker (Berryman 1998). In November most editorials summarised reaction to the November 15 deadline with several criticising the handling by the government of the whole debate (Editor 1998; Editor 1998; Editor 1998). The NZ Herald, in a secondary leader on the issue, said that while Luxton "might have beaten a strategic retreat on his commitment to deregulation of producer boards" it was not an unequivocal victory for opponents of deregulation. "One way or another, reform of monopoly control of agricultural exporting will come - it has to"(Editor 1998). Most prophetic was the Rural News editor who said it was ironic that Luxton was calling for "fresh thinking" on the issue. "It is now apparent that any changes to producer boards will be implemented by a new "fresh thinking" government and one that neither he - nor any of the current incumbents - are likely to be part of"(Editor 1998)
As will be elaborated on later, these front page stories were of an episodic nature as all front page stories tend to be and were published around three events considered extraordinary enough to warrant such premier treatment in the eyes of the editorial hierarchy. Two things are immediately apparent from these front-page stories. Negativity, especially towards the government, and conflict allied to elite persons were the dominant news values displayed and in fact, were part of the central theme throughout many of the stories run on the issue during the three months. This will be considered in more detail later in the chapter. The second point is just how similar the news values were of the leading dailies, especially The Dominion and the NZ Herald and to a lesser extent The Press.

So far the placement of a mere 11 stories on the front pages of the publications has been examined. Possibly the next most important place for a story to appear is on the leader page of a newspaper, as an editorial. Editorials are written either by editors themselves or by leader writers appointed by editors and usually reveal the particular point of view of the editor on issues of the day. In the three-month period there were 16 editorials spread fairly evenly through the three months. The NZ Farmer, The Waikato Times and The Independent ran three each, Rural News, and The Dairy Exporter ran two each and The Press, The Dominion and the NZ Herald one apiece. Again these tended to fall in the same time clusters as the front-page stories. Conspicuous by their absence of comment on the issue via editorials were the Otago Daily Times and NBR. Again the dairy industry appeared to be a non issue for those two publications in this period.

There are many positions a story on dairy industry deregulation might fall in a daily, weekly or Sunday newspaper besides the front page or in an editorial. It could be placed on the farming pages, in the business section, on a features page, an opinion/commentary page or in the general news pages. Considering first the mainstream media, the NZ Herald was the only one to have its agricultural pages in the business news section. The other dailies tend to retain the traditional farming pages if they have anything at all. Neither the two business weeklies nor the Sunday Star Times carried any farming or agriculture sections in the period under survey. Stories on dairy industry deregulation that did appear in any of these three publications were placed in the general news, features or opinion/editorial (Op/Ed) sections. In all but the NZ Herald and The Independent the most likely place for a story to appear was in the general news section. For the NZ Herald it was in the general business news section and The Independent the Op/Ed section.
As far as the specialist rural media are concerned most of the news is agriculture-related and comes under general farming news, so the greatest variation in coverage amongst these publications was in the Op/Ed field. When compared with the mainstream media the number of stories in the rural press that were Op/Ed was quite high. However, on examination many stories were found in the mainstream media that did not appear on designated Op/Ed pages but which were Op/Ed in style and content. This feature will be examined later in the chapter. Based on the title of the section in which all stories were placed in all media The Independent lead the way with 57.1% of its stories falling into the Op/Ed category followed by Straight Furrow with 40% and NZ Farmer with 31.8%. The majority of commentary in The Independent came from columnist Bob Edlin.

The final aspect of coverage to be considered here is the treatment each story received on the page in terms of layout. To gain an overall idea of just how prominently each story was treated a rudimentary scoring mechanism was devised. A value was placed on the word count of each story, which was then weighted by several parameters19. Taken together the total value indicated just how much prominence each story was given. This then tells us how important each publication considered the story and therefore the issue it embodied.

It is clear from the information gleaned from the sum of the prominence scores for each paper that, as one would expect of a publication devoted to dairying and owned by the Dairy Board, The Dairy Exporter was the one which rated the issue highest. The next publication that gave the most prominence to the issue was the NZ Herald followed by The Dominion and the other rural papers, Rural News, Straight Furrow and Dairying Today. Again the NBR scored poorly for a mainstream weekly business publication. The Independent gave 14 times more prominence to the issue than NBR. Publications like The Listener, Sunday Star Times and Food Technology barely rated a mention because of their scant coverage - one story each for The Listener and Food Technology and three short items for the Sunday paper.

19 These included the size of the headline, the number and size of photos, whether it was an editorial or a front-page story and then such details as whether it had a byline, pullout paragraphs and whether it fell above or below the fold.
Talking Heads

News stories can be separated into two different groupings. The first answers the primary questions, what happened when, where and why and to whom? The second group of stories answers the primary questions who said what to whom and when? As noted by Allan Bell, "a large proportion of news is talk about talk especially in political or diplomatic circles" (Bell 1991 p60). However, it is not just anybody talking which makes news - it is generally elite people talking or acting which is considered most newsworthy. It is very difficult for an ordinary person to get into the news, unless he or she has done or said something extraordinary or been the victim of something extraordinary. As Gans noted in *Deciding What's News* the people who most frequently appear in the news are well known people, the Knowns, as he called them (Gans 1979 p9). These Knowns are also most likely to be in official positions. So news becomes "what an authoritative source tells a journalist"(Bell 1991 p191). There are several reasons why an official or a Known might get into the news more often than Unknowns do. Knowns who are officials of government or of interest groups wear "a general mantle of authority and are part of the institutional network where journalists expect to get information"(Bell 1991 p191). Often they also have available to them channels of communication not open to others, not just because of their lofty positions but because they have at their fingertips extensive communication services - PR departments, consultants, press secretaries and so on.

For the Governor Model of pluralism to work the media should pay attention to all those who have a stake in an issue so that a variety of voices are heard not just those with the most prestige or resources. In previous chapters this thesis outlined those groups which might be expected to have an input to any discussion of dairy industry restructuring. They came from within the state and included government ministers and MPs, opposition MPs and departmental officials. They came from the interest groups involved - the Dairy Board, Federated Farmers, Dairy Farmers of New Zealand, the dairy co-operatives, the sharemilkers section of DFNZ, Dairy Workers Union, FOMA, Business Roundtable, Dairy Goat Co-operative, Ice Cream Manufacturers Association, Tasman Agriculture and the Manufacturers' Federation, to name some. Many others in the broader community, especially farming communities that might be affected by any changes would also be expected to be vitally interested. Other people who might be expected to contribute expert commentary are those from academia - marketing scholars, economists, agribusiness academics with a particular interest and expertise on this issue. Individuals, farmers or
otherwise, might also feel they have something pertinent to contribute. As can be seen there was a rich seam of information, opinion and expertise waiting to be tapped by an alert and investigating media. How well did the media do? The findings bolster the views of the critics. In this particular piece of policymaking it was the paramount officials who were given the lead roles and the most lines by the media. It was a case of the elites talking to or about other elites.

Nearly 20% of all stories were commentary pieces where no sources were quoted at all\(^{20}\). The authors were "interviewing their typewriters" as old time journalists might say. Within this group, of course, falls the editorial and Op/Ed articles already mentioned, but that still leaves a number of stories which have appeared in other sections of publications such as features, or news sections. Very few of these 62 opinion pieces mentioned or quoted specific people. Those who were mentioned were Knowns and apart from Dryden Spring (2 mentions) were government ministers - the Prime Minister, Jenny Shipley (2), John Luxton (1) and Lockwood Smith (1). The authors of these commentaries were the editors of the various publications who wrote nearly a third of them. John Luxton and Mark Masters, the chairman of Dairy Farmers of New Zealand, wrote eight and five stories respectively themselves. Journalists wrote around 21% of these comment pieces, academics about 5% and the rest were written by farmer contributors, more often than not, branch officials of Federated Farmers. \textit{Straight Furrow}, the \textit{NZ Herald} and \textit{The Independent} devoted the most stories and the most words to this sort of commentary.

\textbf{Figure 9:} Most often quoted sources. (See Appendix A)

To discover who was quoted or mentioned in all the 323 stories, the first three names quoted or mentioned in any story were noted. The result was a total of 74 individuals, unnamed sources or entities such as the Dairy Board being cited. In general terms dairy leaders gained more than 40% of the media attention. Dryden Spring together with the Dairy Board itself and other Dairy Board or dairy company leaders such as John Storey, Doug Leeder and John Roadley all figured prominently. The first two men were connected to the largest dairy company, NZ Dairy Group, the latter was the chairman of South Island Dairy Co-operative (SIDCO). Little if any mention was made of directors of the second largest company, Kiwi Dairies or of any of the other six smaller co-operative companies. Government figures such as John Luxton, Jenny Shipley, Bill Birch and Denis

\(^{20}\) Listed as "self" in the survey.
Marshall were mentioned on 16% of the occasions and much less prominent were members of the opposition such as Jim Anderton or Jim Sutton, Federated Farmer leaders such as Malcolm Bailey and Mark Masters, or other agricultural spokespeople, such as Suzanne Bruce. About 4.3% of all stories quoted unnamed sources.

However the most dominant single individual was the Minister of Food, Fibre and Biosecurity, John Luxton (11.1%) Not only was he the most often mentioned or quoted, but the stories in which he was mentioned, were given the greatest prominence. He was given space in six different publications in the three months under review to write under his own name - which he did eight times. It is clear that, despite his own perceptions, Luxton was the main contender for the title of leading actor in this drama in the eyes of the media. Despite being quoted nearly as often, Dryden Spring was seen to write only one article under his own name, and that was not even in the board's own paper, *The Dairy Exporter*, but in *Dairying Today* (Spring 1998). Whether Luxton was viewed as hero or villain by the media, will be revealed later in this chapter. Besides being quoted the most often the Knowns were also most likely to have their photograph accompanying a story. In the month of October, for example, both Luxton and Spring each had 12 accompanying photos. John Storey had six, Doug Leeder, four, Jenny Shipley and John Roadley two each.

While John Luxton and the Dairy Board and its leaders and dairy co-operative leaders, might have had star billing, with lesser roles being played by other government officials, farming leaders, and the opposition, there were many who did not have their voices heard at all. Never or rarely mentioned were sharemilkers, sheep or goat milk farmers, Maori dairy farmers, corporate dairy farmers such as Tasman Agriculture, the smaller dairy companies or potentially affected companies, such as the ice cream manufacturers. Coverage has borne out the contention that it is official sources that are primarily used by all media. Even the rural publications, which would have been expected to give a voice to all farming groups involved in this issue tended to ignore all but official sources and leading actors. A greater number of Federated Farmers' officials or farmers may have been given more space in Op/Ed type articles in farming publications, but the smaller or less well resourced groups were not heard at all. The Governor Model is starting to wobble.
Putting a Spin on Milk

A major criticism of modern day journalists has been that, rather than undertake in depth, investigative reporting they are content to use press releases or media handouts as a basis for their stories. There are several reasons why this might happen. Journalists, being overworked and under resourced, might have little time to do their own investigative reporting and so tend to rely on media handouts. They could be lazy. They could be constrained by daily deadlines. They might be so junior that they do not have the required knowledge to seek independent information. They might have been "seduced", as Andrew Sharp stated, by policy makers in Treasury, think tanks, big business and "kept in thrall" by government news sources. Or as Luxton suggested in an interview perhaps New Zealand "just does not have the population base or the intellectual grunt that's goes into those things"(Luxton 1999).

There is no doubt that the major players in this drama had extensive publicity resources. Conor English, John Luxton's private/press secretary at the time attested to the power of the producer boards in general on this question.

The producer boards had far bigger credit cards than us. They wined and dined journalists a lot. The boards have had a long association with the media. In terms of getting our message across, it was very difficult to get through the nine boards who had employed at least half a dozen consultancies that had spent an excess of $9 million up to the 15th of November (English 1999).

English said that the boards, including the Dairy Board, lobbied parliamentarians extensively on the deregulation issue. "Don't underestimate how much time, effort and money the boards put into lobbying politicians," he said. He claimed the entire Dairy Board was "dedicated to trying to influence the political system in their favour." The Dairy Board had arguably the most professional and well-resourced publicity machine of all. Leading the corporate affairs team was the experienced Neville Martin who had two consultants and a secretarial assistant. The board also used external consultants and "quite heavily as well" in the period under discussion.

The consultants helped physically with inviting, arranging and advising on politicians we should be talking to, preparing presentations, questions and answers, giving strategic advice and providing logistical support (Martin 1999).

Another weapon in the communications' strategy of the board was The Dairy Exporter. Conor English claimed that while producer boards had a monopoly on buying farmers' product, they also had a monopoly on providing information through in-house
publications, such as *The Dairy Exporter*. English asserted that Luxton got a "tiny bit" of coverage in that magazine and that overall, coverage there was not balanced. Lance McEldowney is adamant that as editor of *The Dairy Exporter* he is not dictated to by the board on what stories he should run or what angle he should take and that he did strive for balance (McEldowney 1999). While the magazine did devote most of its editorial on the dairy deregulation issue to the views of those within the dairy industry, if it did run stories on politicians then John Luxton got the most coverage - around 1300 words (McMillan 1998; Staff 1998).

Part of the Dairy Board's communication strategy was the use of press releases, most of which were made available on the board's website. What use did journalists make of press statements issued by Martin on behalf of the Dairy Board? Martin himself lamented some journalists' efforts. He said that they tended to print, word for word, what he said, although he worked "pretty hard to be printable." Journalists also tended to just accept the official Dairy Board line. He said they did not ask the intelligent questions which would have assisted them in sifting the wheat from the chaff and sorting out people like me. I don't get follow-ups any more. I routinely used to have follow-ups. They kept you on the ball (Martin 1999).

Besides the Dairy Board others with well-established PR departments were members of the government, opposition parties, Federated Farmers, the Business Roundtable and the two largest co-operative dairy companies. While some might claim their PR resources were limited, such as John Luxton with his one press secretary for a large portfolio, nevertheless their press releases were guaranteed an outlet on their own websites at least. Government and opposition press releases appeared in full on *NewsRoom* the website linked on the main page of the government's official website. So even if the media did not use any material from press releases those same press releases were still available to those members of the public with access to the Internet.

In the course of the three months, as far as has been possible to ascertain, the Dairy Board issued 11 press releases on the subject of dairy industry deregulation. John Luxton, the Minister of Food, Fibre & Biosecurity issued ten, Jim Sutton, the spokesman for agriculture for the Labour Party, eight, Malcolm Bailey, the president of Federated Farmers, five, and Jenny Shipley, the Prime Minister and Mark Masters, the chairman of Dairy Farmers New Zealand, three each. One press statement or speech each was issued in that period by Helen Clark, leader of the Labour Party, David Carter, the Associate
Minister of Food, Fibre & Biosecurity, Owen Jennings, the rural spokesman for ACT, Peter Dunne, the leader of the United Party, Rod McDonald, the Green Party co-leader, Doug Woolerton, the agriculture spokesman for NZ First, Michael Cullen, the Labour Party finance spokesperson, Winston Peters, leader of the NZ First Party, John Wright, the agriculture spokesman for the Alliance Party and Roger Kerr, director of the Business Roundtable.

**Figure 10: Press release authors (See Appendix A)**

This was a total of 50 and represented statements or speeches released by the government, the opposition parties and the interest groups. There may have been official press releases from other groups concerned with this issue. The two biggest dairy companies have corporate communications departments, but statements from these have not been considered. By all accounts the two big companies did not play a large part in the lobbying on dairy industry deregulation, they were too busy facing off over which of them was going to take over South Island Dairy Co-operative. Apart from releases from Jim Sutton and Federated Farmers, which were given to the author personally, most of the press releases were obtained electronically. The question now to be considered is to what use the media put them. Were they used in their entirety, were portions of the statements used or were they not used at all?

As has already been explained, more than 70 different people were quoted or mentioned in stories in the three months under review, including unattributed sources, but also highlighted was that the spotlight shone on John Luxton and the Dairy Board, in particular. They also happen to have been the ones who produced the greatest number of press releases, reflecting the activity of their media advisers. If the success of a media adviser is measured by how much notice the press takes of one's client, then Conor English and Neville Martin did a sterling job. However that press notice was not always positive, as Conor English lamented. The PR work involved far more than writing press statements and speeches, of course, but the issue here, is the treatment these press statements received from the media.

For the purposes of determining the relationship between individual press releases and news stories the events of one week within the three months period were isolated. Week 42 in the calendar was October 11-18 and was notable for several reasons. It was the week in which most stories were published, due in no small part to the events that took
place during that time. It was also the week, not coincidentally, that the most press statements were released.

Figure 11: Weekly fall of stories.

Figure 11a: Weekly fall of press releases

The number of stories was enlarged somewhat by the publication date that week of the two monthlies, The Dairy Exporter and Dairying Today. However, even taking out those two, the week was still noteworthy for the number of stories published. In total there were 67, or slightly more than 18% of all stories published during the three-month period examined. Not included were the fortnightly papers such as Rural News and MG Business, which commented on that week's events in the following one. During the selected week, at least 12 press statements were released most of them pertaining to the annual meeting of the Dairy Board held on the Tuesday. On that day there were major speeches given by the retiring chairman, Sir Dryden Spring and the Minister of Food, Fibre & Biosecurity, John Luxton.

But the first press release of the week came on the Monday from Jim Sutton, the agricultural spokesman for the Labour Party. In it he stated, amongst other things, that an incoming Labour government

would retain statutory powers for producer boards so long as the boards retained the support of the producers and continued to serve the public interest (Sutton 1998).

The only print media to use anything from this statement within the week was TransTasman, which summarised the main points in three short sentences (TransTasman 1998). Sutton's comment was also taken up by TV1 the following day in a midday news item on the annual meeting of the board.

On that Tuesday the board had circulated both the chairman's final speech in full, together with a summarised version. Also available was a brief address by the new chairman, John Storey, the latest audit report from Boston Consulting Group, some details of two specially commissioned board reports and the annual report of the board. Small portions of Dryden Spring's speech were widely quoted by all media but only The Dairy Exporter made any effort to run more than a few paragraphs. It devoted more than 3000 words to coverage of the annual meeting including Luxton's speech. The outcome of the meeting was sufficiently newsworthy for television to be interested and for the Sunday
Star Times to run the first two of three items it carried in the whole three-month period. As indicated TVNZ ran a 1 minute 51 second segment called "Dairy farmers remain strongly opposed to government's plans to reform producer boards" (Clark 1998). John Luxton, Dryden Spring and Jim Sutton were briefly quoted.

The afternoon daily, The Waikato Times ran its front-page story on the meeting and used Spring's most quoted three words from the whole day - "gigantic economic hoax" - in its introduction. Apart from a sentence explaining that John Storey of the NZ Dairy Group was Spring's replacement, the paper published five sentences from the speech, two of them direct quotes with the rest paraphrased.

It was the turn of the dailies on Wednesday. While the ODT was silent, the three other metropolitan dailies covered the speeches. The Dominion and The Press ran almost identical front-page stories written by Victoria Main, of The Dominion. About the only difference was that The Press embellished its story with small photos of both Spring and Luxton. After four paragraphs of commentary, the stories quoted John Luxton's speech (nine sentences) and Dryden Spring's (five sentences) with a three sentence comment from the Labour Party leader, Helen Clark. There was no indication when or where these comments of Clark were made or to whom. As well, The Dominion carried a story (10 sentences) in the business section based on the Boston Consulting Group's audit with additional comment (five sentences) from a Dairy Board spokesman, Tim Gibson. (Steeman 1998).

The NZ Herald carried a story at the front of the paper in the general news section by the paper's political reporter. This item was a mix of commentary and news report with passing references equally to both the Luxton and Spring speeches (six sentences) (Laxon 1998). In doing so, the writer Andrew Laxon used the two phrases that reverberated throughout stories on this topic for the rest of the year. The first was Spring calling the government push for deregulation of the dairy industry a "gigantic economic hoax" and the second was the reference to Luxton "staking his career" on pushing reform through. On the Thursday, TransTasman ran 240 words on Spring's speech and a little more on Luxton's. In the latter TransTasman made a passing reference to a Dairy Farmers of NZ press release issued that same day opposing a business panel proposed by Luxton in his Tuesday speech (Masters 1998).

On the Wednesday, the day after the Dairy Board annual meeting, Spring and Luxton were interviewed at 9 a.m. by Kim Hill on national radio. Spring recalled that Luxton, when questioned by Hill about putting his career on line over reform of
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statutory legislation, claimed he had meant "change" not reform (Spring 1999). After intense questioning by the media the Prime Minister, Jenny Shipley in the afternoon issued a press statement on behalf of herself and Luxton, which said that debate should be about improving farmer incomes and not about whether the government intended to deregulate producer boards on November 15 (Shipley 1998). Conor English saw the statement as Shipley "distancing herself" from her Minister ... and not for the first time (English 1999).

There was one difficulty - a Minister was in charge of doing something and at crucial times and when there was space, another politician dived in and stuffed it all up. There was an agreed strategy. But it was always subject to being overridden by the Prime Minister (English 1999).

The media almost universally interpreted that joint statement as a backdown by the government on dairy deregulation. The five dailies trumpeted it thus. TV1 carried a second news item in as many days using both information from the Dairy Board's two studies and material from the joint statement. In its front-page story, the NZ Herald quoted three sentences from the press release, as did The Dominion in its story, which was also run in The Press. The latter paper also ran a story on its front page with a short farmer response to the week's events. Both Luxton's and Spring's phrases were referred to. The ODT ran an NZPA story out of Wellington, which carried five sentences, based on the joint statement.

On Thursday a rash of press releases emanated from the Beehive. One also came from the new chairman of the Dairy Board, John Storey, "welcoming the joint statement from government." The media ignored this and those from MPs, David Carter and Owen Jennings. Nick Venter of The Dominion used a couple of sentences each from the statements of Peter Dunne, Doug Woolerton and Jim Sutton. These were added to comments from the Shipley/Luxton joint statement and the Dairy Board from earlier in the week, in a story based on a statement from the Dairy Board that it would comply with the government deadline for submissions. The Press also referred to this statement and reiterated, as The Dominion had done, statements from Luxton and Shipley earlier in the week but without adding the comments from the other parliamentarians. Editorials run in The Waikato Times and The Independent made reference to utterances from Spring, Luxton and Shipley. Totally ignored by the media in the meantime was Winston Peters who had addressed farmers in Amberley on how National was abandoning rural New Zealand (Peters 1998).
The following week, the fortnightly Rural News published a story on the Spring and Luxton speeches from the annual meeting - nearly 500 words from Spring and about 240 from Luxton. They also ran a 300-word item from the joint press statement from both Shipley and Luxton. Dairying Today, despite not coming out until November, nevertheless did not consider it old news and printed an 1100 word excerpt from Spring's address.

While this analysis of the use of press releases is only based on one week it does reveal that, while the media do make use of them, it is often only in the most cursory manner. One point might be gleaned and then used as the basis for other comments based around a particular issue. Parts of several different statements could be mixed together to make one news story. No media used a press release in its entirety but there was little effort expended on gaining clarification of any of the points mentioned. Sometimes whole quotations were lifted straight from the statement, other times they were paraphrased or the contents of the statement summarised by the journalist. If there has been a hierarchy demonstrated in the use of official sources, this was also demonstrated in the use of press releases with those from John Luxton and the Dairy Board being the most used as the basis of stories.

If a speech is considered part of a communication strategist's arsenal then in this instance, as far as the Dairy Board was concerned, Spring's was a fire cracker but Luxton's was a damp squib. The latter's speech gained a few negative sentence even though Spring himself later acknowledged that "it was one of the better speeches that Luxton gave" (Spring 1999). While Spring's ten-page address was packed with new information, the media, radio, television and press took Martin's cleverly laid bait and used the deliberately chosen "irresistible headlines"(Martin 1999) and splashed them everywhere. Martin engineered a "Churchillian" swansong for the retiring knight and scored the "magnificent king hit" he had hoped for (Martin 1999). As a "canny" newsmaker, Martin gave the daily news media exactly what they wanted and the Dairy Board got more positive publicity.

On this occasion, the news values of the media organisations took precedence over any desire to inform the public by providing more detail of what was said, context or background. Indeed all the relevant news values seemed to coalesce on that one day - conflict, recency, proximity, personalisation, eliteness, facticity, continuity, competition and predictability.

If an event can be prescheduled for journalists it is more likely to be covered than if it turns up unheralded. The canny newsmaker uses this knowledge to schedule events around news deadlines. The predictable
nature of much newsgathering is, of course, in paradox with the high value placed on news as unexpected (Bell 1991 p159).

In the case of the events of week 42, we saw one of the "canniest" newsmakers in operation orchestrating extensive and sympathetic coverage for his organisation. How did the media allow this to happen? Many of those involved were quite aware of what Neville Martin was attempting and even openly acknowledged it in print calling it "a carefully planned Dairy Board public relations offensive" (Laxon 1998). Neville Martin himself has already supplied part of the answer earlier in this thesis but added further to his thoughts on the issue.

I am totally strong on the importance and place of the media in a functioning democracy. It is absolutely crucial. I am really personally concerned and disturbed at the trend to filling newsrooms with cheap young people with too much work to do. You can't do a proper job of analysis, questioning, of active objectivity that is so vital to the health of any democracy. We should have been pushed harder and challenged more often. A lot of pressure on us actually helps. It creates momentum (Martin 1999).

In order to get a quality media, believed Martin, proprietors must be prepared to pay. If they are not prepared to pay more money so that journalists can earn a "decent living", become expert in a chosen area and "become someone the general public can turn to for balance" then journalists will go off to PR where they are better paid. The media owners are just "too mean" agreed departing National MP Don McKinnon in February 2000. While he was lamenting the lack of debate in New Zealand on foreign policy and not agricultural policy, he did hold the news media owners responsible for the "pretty thin" debate. "I think the New Zealand media ownership, particularly the print media, are just too mean," he claimed (Young 2000). As demonstrated in an earlier chapter, the media were suffering financially in 1998 and as a result editorial cutbacks were common. In these circumstances it is not surprising, but certainly not acceptable, that journalists tended to rely on press releases instead of obtaining their own exclusive news.

**Dramatic Events**

Shanto Iyengar claimed in his book *Is Anyone Responsible?* that television news is episodic in that it regularly reports news in the form of specific events and rarely places these events in context (Iyengar 1991). Certainly any television coverage of the dairy deregulation debate during the period under examination was directly connected to specific events and was guided by news values such as negativity, eliteness, facticity and
superlativeness. In September the issue of deregulation of producer boards was given 94 seconds of attention by TVNZ in the evening news after the Prime Minister was given a rowdy reception by pipfruit growers in Hastings (Glennie 1998). The issue again attracted the attention of TVNZ when pipfruit growers in Nelson protested in the streets and jeered the Prime Minister for not speaking to them (Pearson 1998).

The dairy deregulation issue finally attracted television coverage in October during the annual meeting of the Dairy Board. Conflict between the board and the government, the resignation of Sir Dryden Spring, the possibility mooted that farmers might ride their tractors to Parliament and the Prime Minister becoming involved in an apparent backdown saw two television items screened on two consecutive days (Clark 1998; Clark 1998). The next television item was a One Network News Closeup clip on October 20 sparked by the release of Treasury papers under the Official Information Act and which claimed that producer board deregulation would be of significant benefit to the economy. The 108-second item included pipfruit and kiwifruit growers and dairy farmers (Garner 1998). The final television items in the three months came on November 12 when farmers and growers gathered at Parliament building to protest at the proposed producer boards reform (Pearson 1998). Another item out of Christchurch reported on some Southland farmers looking forward to the removal of regulatory restraints (McDermott 1998).

It is impossible to provide context and background in such brief items on such a complex issue and television didn't even attempt to, being content to report the sensational events. Just as Luxton had pointed out - it was the "barney's" that received attention. Or as Kent Atkinson of NZPA commented: "What determines TV coverage is what pictures are available. If there're no pictures, there is no story" (Atkinson 1999). Much more acerbic in his criticism of television news was Michael Laws, writing in the Sunday Star Times in early March 2000.

One of the great criticisms of the media is that it has corroded its wider responsibilities in favour of the commercial imperative. You can dress that corruption in any way you like - ratings, entertainment, inclusiveness - but the end remains the same. Profit. Essentially TVNZ news is there to deliver around 700,000 nightly viewers to advertisers. Any wider probing of our society or world has been jettisoned in favour of 45-second "real life" docu-dramas that masquerade as television journalism. If the story doesn't have pictures it doesn't make the bulletins (Laws 2000).

Any viewer during September, October or November 1998, who relied upon television to provide the information necessary to attain a clear picture of the producer board deregulation issue, would have been left completely in the dark.
Not so with radio listeners, however. While covering the deregulation debate in news bulletins Radio New Zealand also attempted a more in depth coverage. On August 21 a *Countrylife* broadcast from Radio New Zealand introduced the producer board deregulation issue within its 52 min 18 sec programme (Staff 1998). This was followed in November by a two-part *Insight* programme, which totaled 50 min 58 sec in total broadcast time (Ikin 1998; Ikin 1999). Specialist rural broadcaster Kevin Ikin produced, wrote and presented the programme and it was an excellent example of what Iyengar would have termed thematic reporting.

It was a two parts series on the producer boards really to give people the background. What are they? Why is the government looking to reform them? What will happen as a result and what are the ins and outs surrounding the whole producer board debate? Lots of people didn't really know what a producer board was. The feedback from the programme was positive. Even the Projects Team leader, Tony Baldwin, said he heard it and learned a bit from it (Ikin 1999).

Ikin canvassed input for the programme from a variety of people from growers and farmers, to officials of the boards, to parliamentarians of every hue, farmers groups, state officials, and leaders from other interest groups, such as the Business Roundtable. He said he aimed it at an audience that had no specialist farming knowledge although he knew that a large part of the programme's audience would have been farmers and growers.

As noted, Iyengar was talking about television when he discussed episodic and thematic coverage of news. To determine whether the concept could be applied to printed news the main events in the three-month period were isolated and then compared with the stories that appeared to see if there was any correlation between events and news coverage. It is quite clear than news coverage peaked around events and there were three of these during this time.

**Figure 11b: Weekly fall of stories. (See Appendix A)**

The first peak was in the first week of September. There were two events, which gained media attention at the beginning of the three-month period. The first was the unexpected announcement of the resignation of Sir Dryden Spring on September 3. He had only recently been re-elected as chairman of the Dairy Board for another term (NZDB 1998). The second was the changeover of Agriculture Minister from Lockwood Smith to John
Luxton on September 4. Both events were fueled by suspicions that both Smith and Spring had been demoted - Smith or ousted - Spring - by more reform driven colleagues. Both men refused to give credence to these rumours but the media fed on them, nevertheless, particularly in respect to the popular Spring and comment and speculation lasted for the rest of the month. It was a lively month also for other growers protesting at producer board reform with pipfruit growers, in particular holding their annual conference early in September and later holding protests around the country.

Leading up to the second peak in media activity during week 42 but gaining only moderate attention from the mainstream media were several events. These included the announcement of John Storey as the new chairman of the Dairy Board and the release of a report on dairy industry deregulation commissioned by the Business Roundtable by Dr Frank Scrimgeour. As well leading up to week 42, Moody's downgraded the Dairy Board's credit rating but the Boston Consulting Group gave the board the thumbs up in its five yearly audit. These events could not match the events surrounding the annual meeting of the Dairy Board for media coverage, which reached its peak during week 42. The last peak of media coverage was week 47, November 12-18, when the Dairy Board and all producer boards were due to hand in their plans for life after deregulation. Again media speculation was rife as all involved in the issue traded statements, claims and counter claims all of which were avidly followed by the media. In all the three months there was very little sober examination of just what producer board deregulation might entail for those likely to be most affected by it. The focus remained on the leading players in the drama and how they were reacting to each other. While rural publications did try to include dairy farmers in their reports, they too tended to ignore all but the major players.

No media provided any real in depth analysis of the issue. To a degree they were hampered by a lack of information. The government had refused to release information from Treasury upon which they had based their decisions, until they were forced to under the Official Information Act. Kent Atkinson, of NZPA, did have some sympathy for journalists on this issue.

Journalists are understaffed, underpaid and under resourced. That limits the extent to which you can have a harsh probing enquiry into policymaking. But if there are hard questions to be asked, we do ask them. The main defect is in a lack of ability to penetrate the bowels of the bureaucracy such as Treasury. It takes some willful act on the part of somebody to release that information. It is very unusual for the media to actually acquire the information by their own initiative (Atkinson 1999).
The Dairy Board had refused to make public details of the two reports it had commissioned and had also refused to inform farmers of details of its November 15 proposal. Brian Hight, of *Rural News* attested in September 1999 to the degree of secrecy surrounding the issue of dairy industry restructuring amongst the various dairy industry bodies.

They get pissed off when we start digging behind the news. They're paranoid about publicity. They don't like it. They think it's a closed shop. But it isn't. It's far wider. It's New Zealand's biggest industry and going to be New Zealand's biggest company and why shouldn't it be debated? But it's not. They're trying to keep it closed because that's the way it's always been (Hight 1999).

Kent Atkinson also commented on the role of the Dairy Board in the dissemination of information.

The Dairy Board has been an important player. It has not shown its hands in regards to policymaking. It has played its cards very close to its chest. And hasn't laid out until very late the options to farmers. It has almost kept them at arms length by not telling them the options available. I was told by Dryden Spring that this was necessary to keep the debate on the rails, because otherwise some companies would have taken offence and departed from the discussions. There were farmer meetings in the NZ Dairy Group area where farmers were given a limited range of options to discuss and some farmers were not happy with that. The dairy industry as a whole has manipulated the debate in terms of what is discussed by farmers and when and in what circumstances (Atkinson 1999).

The two main dairy companies in particular were notoriously close mouthed. Kent Atkinson explained why.

The two major dairy companies were NZ Dairy Group and Kiwi, and in my experience, they had very patchy success with relations with the media. They are paying now for generations of dairy company mergers and take-overs, where directors and executives have become paranoid about the media and reflect that in their handling of the media. It reflects the amount of information they give to farmers because they know farmers will talk to the press. They have a limited commitment to pressing information on journalists (Atkinson 1999).

As previously indicated there were few if any academics conversant enough on the issue of dairy deregulation or if they were, were free to comment.

Despite the difficulties of obtaining information, however, the media still had a duty to inform the public and to give context and background to the debate over dairy
industry deregulation. If the information was not forthcoming should not the media have said so, loud and clear? Rather than following events, was not this a time to play advocate on behalf of the New Zealand public by drawing attention to the lack of information being made available on such an important issue? The media was not seduced, on this occasion so much by government, think tanks or the Business Roundtable but by the interests represented by the Dairy Board and the dairy companies. Coverage of the issue was almost wholly sympathetic to the Dairy Board. Those who had previously voiced any real opposition, such as the Business Roundtable, Frank Scrimgeour or economist Gareth Morgan of Infometrics and an occasional columnist for the NZ Herald were now given little space in the media. This was in great contrast to the coverage the Business Roundtable got in 1997.

The media on this occasion cast the board as protagonist and John Luxton as the villain as he claimed. This contention will be further supported when this chapter concludes with an examination of the language used in headlines and in introductions in order to see whether reporting was objective and unbiased.

**Reading the Entrails**

Thirty years ago a young journalist in the NZ Herald newsroom was told the newspaper prided itself on being a "paper of record". That was understood to mean than anyone could pick up the NZ Herald and read a news story that was located in a time and a place and answered the questions who, what, where, when and why. The facts were accurately recorded and could be trusted, as in a historical record of events. Journalists did not have bylines unless they were very senior. There was little or no commentary unless it was an editorial or a film/play/music/television critique. The basic facts of an event were recorded, speech was attributed and the information was presented in such a way that the story could be pruned from the bottom because that was where the least important information fell - the so-called inverted pyramid. Event based journalism was relatively straightforward in the writing once the facts had been gathered. This could be likened to the chorus being an almost invisible part of the cast of the play as in traditional Greek theatre.

Today the journalism is very different. Not only has news become personalised but so also has the journalism. As well as most stories today carrying a journalist's byline, in some instances they also carry a photo of that journalist. The journalist as chorus is no longer an invisible presence, she is a highly visible actor in her own right to the point of
intrusion into the story being told. This is most evident in political news reporting on television. Now it is commonplace for a story to carry a journalist's byline. Of all the stories included in this three-month survey around 65% carried bylines - usually those of the more experienced political or agricultural journalists. The rest were presumably written by the more lowly staff reporters - the "tenderfeet" referred to earlier by Neville Martin.

**Figure 12: Authors of stories. (See Appendix A)**

The publication most likely not to use bylines was *The Dairy Exporter*. Of its total of 50 stories only 15 carried bylines. The most prolific user of bylines was the *NZ Herald* with 39 of its 51 stories carrying the writer's name.

One of the most significant findings of this research has been the amount of commentary and opinion now being carried by the media. It does demonstrate an attempt by the media to be more than recorders of facts and an apparent attempt to supply context and background to the news being reported. Alarmingly, however, a lot of commentary is buried in what on the surface appears to be a news story in the old style. The old convention of keeping fact and opinion separate has disappeared. Stories on news pages are just as likely to involve commentary by the journalist as any feature, editorial or guest comment on any Op/Ed page. The same is true of television news items, where journalists speak to the camera and voice their opinions on whatever issue has attracted television's attention that day.

Comment can be on events that have happened or be speculation on the likely occurrence of events or actions in the future. While many might claim that what democracy requires is public debate, not information, nevertheless some basic information is required for an informed debate to take place. So while it is laudable that the media is attempting to provide more commentary and interpretation the quality of the comment is questionable. It is usually an attempt to second-guess what the main actors may or may not do next. The provision of salient or relevant facts is still important if readers are to be able to assess issues for themselves and not just rely on a journalist's opinion of what is occurring.

One of the main criticisms leveled at the media is that they demonstrate bias. In an effort to determine whether, in this instance, the media was antagonist or chorus the headlines and introductions of the three months of stories were put under the microscope. By looking at these alone it was possible to see the dominant frame of this whole issue. It
was variously framed as a "row" (NZPA 1998), a "fray" (Main 1998; Staff 1998), a "rebellion" (Main 1998; Main and NZPA 1998), a "battle" (Molesworth 1998), a "ferment" (TransTasman 1998) even a "war" (Lacy 1998; Staff 1998) that was "hot" or "heating up" (Staff 1998; TransTasman 1998; TransTasman 1998) and where "emotions were high" (TransTasman 1998). On the one hand there were the farmers, co-operative dairy companies or the Dairy Board "being besieged" (McManus 1998) by the government on the other hand. So while the farmers were "annoyed" (Staff 1998) "rebellious" (Main 1998), "calling bluffs" (Main 1998), "rallying" (Middlebrook 1998), "uniting" (Sage 1998; Staff 1998; Staff 1998), "targeting MPs" (Staff 1998) "forcing backdowns" (Laxon and Christian 1998), "contradicting" (Bell 1998) or "opposing" (NZPA 1998; Staff 1998) the government, the other, governmental side was "stepping into cow pats" (Staff 1998), "withdrawing" (Christian 1998), "backing down" (Editor 1998; Laxon and Christian 1998; Staff 1998), or "backing off" (Venter 1998), "soft peddling" (Main 1998), "putting the brakes on" (Editor 1998; Smellie 1998; Staff 1998), "at loggerheads" (Catherall 1998), "easing its position" (Main 1998), "cowed" (Main 1998), "inept" (Main 1998), "routed and ducking for cover" (Venter 1998), "slow to react" (Armstrong 1998), "on a rural kamikaze trail" (Herbert 1998), "cow-towing" (Berryman 1998) or being "ham-fisted" (Masters 1998). The Dairy Board, by contrast, was referred to in much more neutral or positive terms. There was a distinct lack of emotive verbs or adjectives when it came to headlining stories about the Dairy Board. It was "low key" (Smellie 1998), it was being conciliatory and "defusing" rows (Venter and NZPA 1998) or "setting its own pace" (Morgan 1998).

The drama was simply staged as the hero or protagonist (the Dairy Board/ Dryden Spring) up against the villain or antagonist (the government/Luxton) and with the proceedings watched in confusion and/or anger by the dairy farmers. The media chorus reported the action but did little to give an independent perspective to clarify the issue for the audience. The dailies were the worst offenders in this respect with the NZ Herald and The Dominion setting this dominant frame with The Press tending to follow the lead of its sister publication. Those less inclined to frame the issue in such a way were the ODT, The Waikato Times and The Dairy Exporter. Overall, it was quite evident where most media sympathy lay. This despite the fact that in the end, all producer boards obeyed the government directive set out in the May Budget and thus completed the first part of the policy cycle which brought Act One to a close. Few publications saw this as a success for the government. It wasn't until July 1999 that TransTasman opined that Luxton's efforts to
open up a new commercial future for the dairy industry had been politically vindicated (TransTasman 1999). Most stories reporting that all producer boards had handed in their plans by November 15 were short and muted. It was only a few days or weeks ago that they had been declaring that the Dairy Board was set to defy the government's directive. A few were still framing the end of this part of the policy cycle as a triumph for producer boards as in The Dominion's "Open season on boards ends with routed Luxton ducking for cover" (Venter 1998) or Rural News, with "Luxton backs down" (Staff 1998). These headlines were derived from both the lead paragraphs and the bulk of the stories, which followed. As Allan Bell explained:

We can regard the lead as basically a summary of a story, deriving its content and structure from the body copy, and so it is. But it is a directional summary; a lens through which the point of the story is focussed and its news values magnified (Bell 1991 p183).

Not only does the lead summarise the story it also must begin to tell the story and the headline "cuts the lead back still further, leaving a core of the main action and its actor, and sometimes previous action and place" (Bell 1991 p189). Just by examining the stories published in week 42 the dominant news frame and the role of the dominant actors is reinforced.

**Conclusion**

Of the 17 publications, one television station and one radio news service surveyed the coverage provided of the dairy industry deregulation issue was so minimal it was clear many media saw little news value in it. Most of the media which demonstrated this all fell within the mainstream and included TVNZ, The Listener, Sunday Star Times, NBR, The Press and the ODT. They ran few stories and these were generally short, with a minimal number of sources quoted and usually given low prominence. In particular if The Press or the ODT ran stories at all they were most often NZPA sourced. It was largely seen as a North Island concern.

**Figure 13:** Proportion of NZPA stories per publication. (See Appendix A)

They also were more ready to use stories from other publications as well, with The Press using The Dominion stories on several occasions and the ODT using the occasional NZ Herald ones. The publications which did feature the issue strongly were The Dairy Exporter, the NZ Herald and Rural News. All three ran the most stories, with the greatest number of words and with the highest prominence given to the issue. As well they used the
greatest number of different sources for their stories. Despite this the main focus of all media was either John Luxton or Dryden Spring and the Dairy Board with a general bias against the former and towards the latter. Almost completely ignored were any other groups with an interest in what happened to the dairy industry. Stories were event based and little effort was made to examine the context or background to the issue and many journalists were quite content to give their own views without recourse to any others. Leading in this area were *Straight Furrow* and *The Independent*. Most daily newspapers made use of press releases, but almost exclusively those from John Luxton and the Dairy Board. They were never used in their entirety but were often the impetus for a story as were the main events during the three-month period under review. Little extra work was done by journalists to elaborate or clarify the releases.

Media bias against the government was evident in the press headlines from the period. This bias was not anti-government per se but caused by the frame of conflict or "muddle through" by which the media chose to portray this issue. There was little effort made to give a broader picture of the issue and how it might affect other than the Dairy Board, the two big dairy companies and their shareholders. Even then, few journalists were able to ferret out information that those groups and the government were not prepared to make available. It was not a journalist, for example, who used the Official Information Act to obtain Treasury documents relating to the deregulation issue. It was a concerned pipfruit grower. The journalists seemed unable to stand back from the immediate events of the day to take a longer, broader and more objective look at the dairy deregulation policymaking of 1998.

The media did not act as a modern chorus offering perspective and critique. They were bogged down in headline catching events and the actions and words of elite persons to the detriment of the general viewing or reading public. On the whole the media was speaking with one voice not with many and this despite the apparent fierce competition between the many media organisations. The only media generally praised for its coverage was the rural unit of national radio, which not only provided news items in daily radio bulletins but also attempted to background the issue of dairy deregulation in its documentaries. This despite the fact that rural radio was as subject to financial constraints as any other media.

The sobering conclusion to be drawn from the research into three months of media coverage of the dairy deregulation debate is that if agriculture was being communicated at all, what was being communicated was personalised trivia and headline
catching events. Placing these observations in the wider context of agricultural policymaking and the Governor Model of pluralism is the final task of this thesis.

Endnotes


Conclusion

Throwing a Spanner in the Works of the Governor Model

Introduction

In November 1998 the curtain closed on act one of the three-part drama that was dairy industry restructuring. The players retired from the stage to read the reviews, to consider changes to the cast, the plot and the settings and to start rehearsals for the next act. The audience withdrew to consider the merits of what they had recently witnessed and to offer critical judgement on what had been enacted. Criticism is not mere fault finding, said Leon Dickinson of the University of Missouri in his A Guide to Literary Study. "Rather it is a discussion that seeks to describe, analyse or evaluate a literary work. Its function is to illuminate the work for the benefit of other readers" (Dickinson 1959 pp 6-7). While a theatrical analogy has been drawn in this thesis, what passed in 1998 cannot be said to have been "literary" in the sense Dickinson meant. However, the theme has pervaded this thesis too indelibly to toss away at this juncture and so this conclusion will serve as much as a critical review as a proper academic assessment. All the elements of the drama - the characters, the plot, the setting and the dialogue will now be scrutinised in this dual light. As it is I who have chosen to see this particular agricultural policymaking as a piece of theatre it is up to me to demonstrate that this view is congruous and appropriate. There is always a danger with criticism that one can be found to be reading things into a work. But the test will be whether my comments are supported by the actions that occurred in the period under study.

Recapitulation

In the first two chapters of this thesis a case was made for considering the chosen agricultural policymaking in the light of pluralism - the concept that society is formed of groups which interact with the state to achieve benefits for their members and so for society as a whole. After explaining the various elements of pluralism some consideration was given to New Zealand society and whether it was pluralist or not in the eyes of some New Zealand scholars. As the thesis had as its main focus the role of
the media it soon became evident that pluralists had made a serious omission in their general conception of their theory. They had focussed too exclusively on the role of the interest groups and the state and failed to account for the significant role the media now played in modern society. To rectify this omission I proposed a new model of pluralism, which incorporated the media as an equal partner in a new triumvirate with the interest groups and the state. This model was called the Governor Model because it drew an analogy from the role and function of the centrifugal governor in a rotating motorised system and applied it to pluralism. In the Governor Model the three "masses" of media, interest groups and state and the links between them must stay in balance for pluralism to work effectively. This is similar to the three masses in the centrifugal governor, which must stay in balance if the motor is not to shake and rattle and ultimately cease operating.

Having laid the theoretical basis for the thesis, the assignment then was to consider each of the three "masses" of media, interest groups, and state as they might apply to agricultural policymaking. The objective was to determine whether in the instance of 1998 policymaking the Governor Model was operating at its optimum level. Because scholars have usually devoted more time to considering the role of the interest groups and the state, this thesis made a particular point of focussing on the role of the New Zealand media. This was not only because its function had traditionally been under theorised within pluralism but also because, separately, the New Zealand media has always attracted much criticism from the public and academics alike. It has been called compliant, sycophantic, a lapdog in particular in its coverage of the state and big business. In the case of the country's biggest business of all - New Zealand agriculture - however, the media has been largely quiet or, in some cases, completely mute. The New Zealand media has failed to communicate agriculture adequately, claimed many critics. It has neglected to provide adequate coverage of one of the greatest money earners this country has ever had. Another of the objectives of this thesis, then, was to identify a particular agricultural issue and examine it to determine how justified these criticisms of the media were.

To accomplish this an agricultural issue had to be investigated that was significant enough to have gained even a modicum of media attention. The perfect scenario presented itself in May 1998 when Winston Peters announced in the Coalition Budget that producer boards should prepare proposals for deregulation. This issue involved virtually the whole agricultural and horticultural industry and turned out to be
one of the hottest political potatoes of the year - the ramifications of which are still being felt in 2000. To narrow the focus of the thesis to manageable proportions, it was decided to consider the impact and consequences of this announcement on one producer board - the largest - the New Zealand Dairy Board.

After presenting the rationale for using pluralism as the model for this thesis the next task was to present the cast of characters and to set the policymaking scene in 1997-98. A chapter each therefore was devoted first to the main players - the media, then the interest groups with a dairy industry focus and then the state agencies involved in the dairy deregulation issue. Each of the three groupings was considered in the light of the Governor Model of pluralism and their strengths and weaknesses highlighted. In the chapter on the state, some time was devoted to considering theoretical aspects of policymaking with the aim of determining whether in 1998 the policymaking process was a pluralist one or not.

Rounding off the thesis, the final two chapters were devoted to an exhaustive examination of the performance of the New Zealand media in covering the dairy deregulation issue. Continuing the theatrical motif it was suggested that the media, like a modern Greek chorus, might justifiably perform a similar function in late 20th century/early 21st century newswriting. To determine whether this was so, three months of media coverage was isolated and subjected to intense scrutiny. As a result judgements could be made about the success or failure of the media in meaningfully communicating agriculture. In addition, however, some conclusions about the role of the media within the Governor Model could also be extracted.

This conclusion, therefore, will address three crucial questions. Firstly, was pluralism an appropriate model to have used for a study of New Zealand agricultural policymaking? Secondly, did the New Zealand media communicate agriculture effectively in 1998? Thirdly, in the dairy industry policymaking process of 1998, did the Governor Model stay in balance and if not, why not?

**Pluralism as a Model**

Despite some reservations expressed by academics such as Pat Moloney (Moloney 1997 p325) as to the applicability of pluralism to the New Zealand political system, especially since 1984, I believe that the model does still "have provenance" here. New Zealand is still "moderately pluralist" despite the depredations of the fourth Labour government and its successors. And the particular monetarist, "New Right"
ideology that has driven political and economic life in New Zealand for so long and which was so inimical to a pluralist society is at last showing signs of having run its course. The introduction of MMP has further enhanced a return to the importance of interest groups and as a result the degree of lobbying by groups appears to have increased, in the case of agricultural policymaking at least.

The pluralist model depicted in this thesis, however, does vary considerably from traditional pluralist theory in that it accords the media a greater role without downplaying the continued relevance of the interest groups and the state. It does this by proposing a new model of pluralism - the Governor Model. In this model, the interest groups are still a crucial element but with some added responsibilities and expectations in regards to the media. Interest groups are to have equal access to the media as well as to the state under the Governor Model. They are also to act as a counter balance in the media/state relationship. This ability would be enhanced if the interest groups had their own media outlets - which in the case of the agricultural interest groups they did - the Dairy Board had its own publications, notably *The Dairy Exporter*, and Federated Farmers had *Straight Furrow*. This gives the interest groups the opportunity to publish agricultural events, ideas or policies that the mainstream media might not. In that regard, agricultural interest groups might also expect to get special attention from the rural media.

The main danger with interest groups is that they may become too narrowly self interested, as they have no mandate, overt or covert, to consider the public good as the state and media do. It is the responsibility of both state and media, then, to ensure an even balance between the desires of the interest groups and those of the general populace. The state can do this with its policymaking and the media can do this through scrutinising the actions of groups as diligently as it does the actions of the state. This is especially important where there are one or more big, well-resourced and influential agricultural groups and a host of smaller ones. In such instances the media provides a voice for the latter if need be. Under the traditional version of pluralism, this was a task for the state alone. Now there is back up.

As intimated earlier, the state and the media have historically been expected to skillfully juggle their joint responsibilities of self-interest and the public good. By bringing the media into a pluralist triumvirate, another fail-safe device has been added to the equation. If the state becomes too inward looking, the media can act as a goad on behalf of the public. It also works in reverse. If the media is seen to be concentrating on
its own commercial interests to the detriment of its duty as public watchdog, the state can bring it to heel. I don't mean by state interference in editorial matters, but more generally, in the use of such tools as media ownership laws to limit monopolies and such like. With a plurality of media and media ownership assured, competition between the various media should ensure the best possible media output and a properly functioning democracy. If it doesn't then the avenues open to the public and interest groups are available, in particular, the various media complaints authorities. The aim is equality and dispersed power and this can best be achieved through the transparency of the policymaking process.

While this description of pluralism as the Governor Model may appear idealistic and impractical, it nevertheless does not need to work perfectly to still be operational. Depending on the particular form of policymaking taking place at any one time, the Governor Model will be more or less pluralist. There is certainly no suggestion that New Zealand is an authoritarian or an anarchic state. While the US is held to be the pluralist state par excellence, I would suggest that there the elements of state, media and interest groups are much more in a state of imbalance than they are in New Zealand. At least in this country the average citizen still feels able to play a role in governance through their interest groups or through the election process. Turnout at election time continues to be proportionally high, compared to, say the US. This begs further research into the possible correlation between interest group participation and voter turnout in this country. There does not seem to have been any strange disappearance of civil New Zealand. Research would discover whether this was true or not.

Even if the New Zealand Governor Model has wobbled quite severely it has never yet ground to a complete halt. With a change of government and a lessening of the prevailing monetarist ideology it is to be hoped that an even more balanced Governor Model will ensue. The crucial factor in all this is the media. At this stage it is the one of the three elements of the Governor Model with the greatest potential to throw a spanner in the works. This suggestion may appear paradoxical when one considers that the media appears to reflect what, on the whole, New Zealand is - a stable, middle class society. It would be reasonable to say that most media in New Zealand portray a centre right or centre left view of society with few media at either extreme Diversity of viewpoints, considered of such importance to pluralism is therefore restricted within a fairly narrow range. Being such a small country with an equally small population there
is more pressure to attain consensus, conform and maintain the status quo. C.K. Stead, New Zealand poet, author and astute social commentator has put it succinctly.

We are not good at frank debate as more secure societies are. There is still a general insecurity. We get an agreement, a consensus about where we are and what's right to say about it and anybody who challenges that is not welcome. You don't stand up in the dinghy (Stead 1999 p C8).

There is not much room for the outspoken or radical, very little rocking of the boat generally. The outcome of this is a media in New Zealand that tends to speak with the same voice on most matters, whether agricultural or general.

Why then would I claim that the media has the capacity to throw a spanner in the works of the Governor Model? For an answer we must turn to the research conducted for this thesis on the media coverage of some 1998 agricultural policymaking. In considering how the media communicated agriculture in this period we will find universal themes which can be applied to the media and its communicative ability generally.

**Communicating Agriculture**

Generally agriculture or more specifically as it relates to this thesis, the dairy industry, appears of little interest to the mainstream media. With the exception of the NZ Herald and Radio New Zealand, which go some way toward acknowledging the newsworthiness of the country's biggest business, the other metropolitan dailies, the biggest regional paper, the two business weeklies and other mainstream magazines and national television largely ignore it. They take notice only when their paramount news values happen to coalesce - these being conflict or negativity, preferably between recognised elite people or elite groups, and, in the case of television, there are visually exciting images to go with it.

In contrast to the mainstream media, there are some specialist rural publications which are providing their farmer readers with a reasonably extensive coverage of the issues and events occurring in the dairy industry. The leaders are the general rural paper, Rural News and the specialist dairying magazine, The Dairy Exporter. The latter stood out for the extent of its coverage, the prominence with which it gave the issue of dairy industry restructuring and the generally sober and neutral way it presented the information. Not for The Dairy Exporter, the flashy tabloid headlines of many of the other media.

The conundrum, of course, is why the media does not consider agriculture newsworthy and why it does not provide more space for consideration of the issues
involving that business sector. It is not because there are no journalists knowledgeable enough to provide the agricultural coverage. As has been proved in earlier chapters, there are many highly skilled rural journalists. Some of those have been made redundant. The media organisations obviously do not want to pay the cost of those skills. It comes down to just one word - profit. If media organisations do not think they have an audience they will not waste money providing information and news on that sector. With New Zealand a highly urbanised society, it is much easier to target that urban audience than a widely scattered and declining rural population. And if, combined with this attitude, the media organisations are being financially squeezed as they were in 1998, they have even less reason for providing coverage of rural matters.

In 1998 competition for agricultural advertising was fierce with the bulk of it going to *Rural News* - a publication that relies solely on advertising revenue and not subscriptions to survive. It is no surprise, therefore, that *Rural News*’ editorial coverage in relation to other publications was so extensive. Apart from the *NZ Herald*, which has made a commitment to featuring agricultural affairs in its business news pages, none of the other mainstream publications in the survey paid anything but lip service to the agricultural industry that still earns this country more export receipts than any other single enterprise.

The research did show that in the three month period in 1998 there was *some* coverage, so the news is not all bad it would seem. That is until some other disturbing factors were revealed about what was published or broadcast. The critics were right, almost without exception all media reported only what important people said or did - the smaller players with a stake in the policymaking never got a voice. Those smaller players existed but in the eyes of the media they might as well have been invisible. It is not good enough that in the second act of this drama that was the dairy industry deregulation, these other voices began to be heard alongside those of the elites. The sharemilkers, the dairy factory workers, the smaller co-operatives, the ice cream manufacturers, the sheep and goat milk farmers all had the right to be heard, and the fact they mightn't have had the resources that the bigger players had, should not have made any difference. The task of the media is to ensure all voices are heard on an issue, not just those with the loudest voices, the best PR agents and the deepest pockets.

The concentration on conflict between elites meant there was no room for background, context, objective analysis or interpretation of the broader issues of dairy industry deregulation. It meant that only certain events were considered important, and
they became important because they fed into the news values of negativity, elites, facticity, superlativeness and so on. What it meant was that for the media the most important actors in the drama were John Luxton and either the Dairy Board itself or those who represented it and so any event that furthered the conflict between the two gained the most attention.

The idea of the media as disinterested observer was laid to rest in 1998 when it became obvious that far from being the lapdog of government, it was rather the favoured pet of the Dairy Board. Almost without exception the tone of most media reports leaned towards the case being presented by the board and was almost universally antagonistic towards the government as represented by John Luxton. This tendency to favour the board was as much a consequence of the skill and expertise of one man, as it was reporters seeing any intrinsic value in the board's stance on dairy deregulation. The board had worked hard over many years to create a favourable public image and the man largely responsible for that, besides its chairman, Sir Dryden Spring, was the board's corporate affairs manager, Neville Martin. The latter quite rightly saw his public relations coup at the Dairy Board's annual meeting in October 1998 as one of his greatest successes. When presented with detailed facts and figures, closely argued points and independent reports on the dairy industry deregulation issue, what did reporters do? Most of them snatched at the carefully placed and colourfully worded cues, just as Martin expected, and used those to present a sensationalised and trivial account. It was not just the "tenderfeet" who fell for this ploy, it was seasoned journalists as well. There was no balance or objectivity and no attempt made to analyse, interpret or clarify. The media was not a modern Greek chorus, it was rather the echo of one of the major players.

This acceptance of a particular line offered by major actors in policymaking is even more apparent when it comes to journalists using press releases. While journalists may not use such releases in their totality they are still far too dependent on them in their newsgathering and far too ready to accept them without further checking or elaboration. Those groups that don't issue press releases will always be on the back foot if journalists are too lazy, overworked or ignorant to seek them out without them having issued a press statement first. It also means journalists are only giving a voice to those with the means of ensuring it - those that have the money and resources.

Throughout the policymaking process in both 1997 and 1998 the media was definitely the follower of the news and never the leader. There was little direct
advocacy on the part of the media for any particular path in the deregulation debate. Because it supplied so little context and background to the issue it was unlikely it could be more than a follower. It certainly contributed nothing new or fresh to the debate. As illustrated earlier in this thesis, the fault could not be laid entirely at the feet of the media. There were few experts or academics the media could call upon to assist with elaboration of the issues involved in the debate.

The upshot of the sort of coverage provided in 1998 by the mainstream media is that the public was ill served indeed. Agriculture was not communicated it was presented as a melodrama with the audience being invited to hiss the villain and cheer the hero and go away satisfied that all the actors would get their just desserts.

The Governor Model

Having criticised the performance of one of the players in this first act of dairy industry restructuring, it is now time to turn the spotlight on those other actors - the interest groups and the state. In exploring their contribution to the action, the state of the Governor Model in 1998 will be revealed.

Agricultural interest groups have always played an important and influential role in New Zealand policymaking, and while they may not have quite the same iron grip as before, are nevertheless still forces for the state to reckon with. Not the least because their role in the country's economy continues to be such a significant one, despite persistent efforts to move New Zealand away from its agricultural base. While sheep and cattle farming have experienced a slow decline over the last few decades, the dairy industry has continued to flourish and provide an ever-increasing percentage of the country's export receipts. This is in no small part due to the co-operative nature of the industry.

The co-operative dairy movement must surely be the epitome of a pluralist interest group where individuals - dairy farmers - gather together in a group for their own benefit but also for the benefit of their community. A democratic system of
elections to directorships allows for leadership within the group and regular meetings allow for the expression of concerns. The dairy farmers as groups of co-operatives are even more powerful because they also own the milk manufacturing companies and ultimately the New Zealand Dairy Board, the statutorily designated marketing arm of the industry and one of the country's biggest businesses.

While this makes the dairy co-operatives powerful groups, their members are also able to belong to another group - Federated Farmers - which represents all farmer types, not just dairy farmers. However, within the federation there is a specific section which specifically attends to the concerns of dairy farmers - Dairy Farmers of New Zealand. Membership of the dairy co-operatives and Federated Farmers therefore can overlap as pluralism allows. This means that there is more than one avenue through which a dairy farmer might pursue his interests. The fact that membership can be overlapping also helps to relieve tensions which might arise if there were only one group. However, if members still did not feel their interests were being met, under pluralism, they should be able to establish new interest groups, which they do. This happens within dairy farming in New Zealand. In the period under study two new farming groups arose because some farmers felt the established groups did not meet their needs.

Within the dairy industry there are many individuals who are not dairy farmers but who are just as intimately involved as the farmer owners. Sharemilkers, Maori dairy farmers, sheep and goat milk farmers, dairy factory workers, farm wives, young farmers, large herd owners can all belong to groups that cater specifically to their needs. Some of these dairy farming interest groups are more influential than others, which is acceptable under pluralism as long as there are countervailing forces to temper their power. These countervailing forces can come from other interest groups not directly concerned with dairy farming or they can come from the state or the media. In this instance, a corporate interest group, the Business Roundtable, was a powerful counter to the dairy farmer groups. The state, in particular some members of the executive and a powerful arm of the bureaucracy, Treasury, also acted as countervailing forces against the dairy interest groups. The media, in this instance didn't as outlined above.


22 Previously the Dairy Section of Federated Farmers.
All interest groups within the dairy industry had access to government. They were able to lobby the politicians whether they were a small or a large group. They could make submissions to relevant select committee hearings. They could submit information to the media on matters of import. In the agricultural policymaking period studied in this thesis some of the groups used these avenues to get themselves heard. It took others until the second act of the policymaking in 1999 to get their views across. These were generally the smaller, less well-resourced groups. The media in 1998 largely ignored these smaller groups.

What was the role of the state in the policymaking of 1998? The executive of the government was largely in disarray in this period because of a disintegrating coalition partnership and divided views on how to progress change in the dairy and other agricultural and horticultural industries. With the lack of traditional advice from the Ministry of Agriculture because of a running down of its services, the government fell prey to the persuasive rhetoric of Treasury and the Business Roundtable. It attempted to impose change on a powerful group and it backfired because it failed to persuade any of the other actors of the rightness of its cause. It could not persuade the dairy interest groups and it did not persuade the media. This failure was as much due to the lack of a cohesive communications policy on the part of the state, but it was also because the executive was too divided on the issue to agree on what that communications policy should be. Despite this, and despite the negative media coverage of the issue, all producer boards handed in their proposals for life after deregulation as asked by the government on November 15. It was a Pyrrhic victory at best and it would not be too trite to claim that the state actually lost the plot!

John Kingdon appeared to have the right of it when he said that policymaking was not an orderly process but a fortuitous meeting of the three streams of politics, problems and policies. To those three could be added a fourth - that of personalities or people. Certainly there were some very influential individuals who contributed to the policy primeval soup and who gave the soup its particular flavour.

So, having largely panned the actors, their actions and their dialogue, this critical review turns at last to the state of the Governor Model of pluralism to determine its stability. It is my contention that the Governor Model looked like this as a result of what occurred in 1998.
**Figure 14:** The Governor Model at the end of 1998 had developed a severe case of the wobbles as the powerful forces of the interest groups agitated against a demoralised state with the tacit support of the media.

Here one can see that the model has been skewed in the direction of the interest groups and the media and away from the state. This occurred because the media did not perform its watchdog role on the interest groups. Because this was to their advantage, the interest groups involved did not act as a counter to the media. The Business Roundtable succeeded to a certain extent in the early days of the policymaking process, in particular in 1997, in providing some balance to the dairy interest groups. Their role faded in 1998 and so the Governor Model tipped further towards the interest groups and away from the state. The weakness of the state can be accounted for in several ways. Economic recession allied with the Coalition government's internal problems put increasing pressure on the state. It tried to impose an unpopular policy in an effort to prove it was still of reforming zeal after being egged on by the Business Roundtable and Treasury. But that economic recession affected all the members of the triumvirate not just the state. Farmers were hit by the recession as well as natural disasters such as drought or flooding. The media as indicated in earlier chapters was also suffering from the economic downturn. It retrenched and in protecting its commercial interests neglected its public duty to report effectively.
While the Governor Model was shaking and wobbling in 1998 it did not come to a complete standstill. In 1999 it regained more of its equilibrium as the three elements regained some of theirs. But that is another story. What 1998 has shown is that the model is affected by any uneven distribution of power between the three entities. The model is not so delicate, however, that it will be irretrievable harmed if there is some degree of imbalance. However, if the shaking and wobbling became too violent, one would hope the noise would be great enough to attract society's attention so that some remedial action could be taken and any severe imbalance rectified. New Zealand's history as a pluralist democracy suggests this hope is not unfounded.

Endnotes


APPENDICES

Appendix A

CHARTS TO ACCOMPANY CHAPTER SEVEN

Figure 5: Number of stories for each publication in the three month period, September - November 1998.

Figure 6: Approximate number of total words per publication in the three months period September - November 1998.

Figure 7: Where the stories fell in the publications in the survey.

Figure 8: Prominence scores for all publications.

Figure 9: Most often quoted sources.

Figure 10: Press release authors.

Figure 11: Weekly fall of stories.

Figure 11a: Weekly fall of press releases

Figure 11b: Weekly fall of stories.

Figure 12: Authors of stories.

Figure 13: Proportion of NZPA stories per publication.

Appendix B

LIST OF ALL STORIES - SEPTEMBER-NOVEMBER 1998
## Appendix B

### List of Stories - September - November 1998

<table>
<thead>
<tr>
<th>Date</th>
<th>Publication</th>
<th>Headline</th>
</tr>
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<tbody>
<tr>
<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>Kiwi shareholders unanimous against dairy deregulation</td>
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<tr>
<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>Chairman pays own tributes to family and NZDB staff</td>
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<tr>
<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>“From pride comes performance”</td>
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<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>Director elections at NZDG</td>
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<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>Proceed with care, farmers tell Govt</td>
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<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>South Island ward for Kiwi Dairies</td>
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<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>New Zealand Dairy Group predicts season’s payout</td>
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<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>Only outside odds of single seller staying</td>
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<tr>
<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>Deregulation developments to be detailed to dairy farmers</td>
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<tr>
<td>9/15/98</td>
<td>Dairy Exporter</td>
<td>Chairman’s Legacy</td>
</tr>
<tr>
<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Creative response needed to concerns of last quarter</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Sir D blasts deregulation in his industry conference swansong</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Minister argues dairy industry hampered by legislation</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Wants one integrated NZ dairy co-operative, eventually</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Industry will “weather” through deregulation</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Dairy Board’s new chairman prominent in industry issues</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Northland doubts sustainability of NZDG/Kiwi strategic alliance</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Consultations to continue next year</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>South Island’s disquiet about strategy steers</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Support of dairy farmers cannot be assumed</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Backlash risk in National heartland</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>New NZDG chairman</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Luxton working on several fronts to improve rural incomes</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Deregulation faces reversal in event of govt change</td>
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<td>Dairy Exporter</td>
<td>NZ Dairy Board becomes world class company</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Minister urged to think again</td>
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<td>10/15/98</td>
<td>Dairy Exporter</td>
<td>Federated farmers head office “out of touch” with grassroots</td>
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<td>Farmers need to be in on deregulation debate</td>
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<td>Deregulation supported</td>
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<td>NZDB contest data in Roundtable report</td>
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<td>Dairy Exporter</td>
<td>Dairy farmers reject deregulation</td>
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<td>11/15/98</td>
<td>Dairy Exporter</td>
<td>Treasury papers reveal strategies</td>
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<td>11/15/98</td>
<td>Dairy Exporter</td>
<td>Farmers unite to fight deregulation</td>
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<td>Dairy Exporter</td>
<td>Scoping plan strongly supports single seller retention:</td>
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<td>11/15/98</td>
<td>Dairy Exporter</td>
<td>Research confirms gain from power</td>
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<td>Mandate from dairy industry</td>
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<td>11/15/98</td>
<td>Dairy Exporter</td>
<td>Timeline for further consultation</td>
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<td>11/15/98</td>
<td>Dairy Exporter</td>
<td>Stick together for NZ critical mass</td>
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<td>Dairy Exporter</td>
<td>Address price dilution effect of excessive milk growth</td>
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<td>Dairy Exporter</td>
<td>Domino effect as SIDC talks with Dairy Group</td>
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<td>Dairy Exporter</td>
<td>Deregulation to impact heavily on NZ farming</td>
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<td>Risk with change falls on farmers</td>
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<td>To capture wealth without losing control</td>
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<td>11/15/98</td>
<td>Dairy Exporter</td>
<td>Co-operatives can cross international boundaries</td>
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**Appendix A**

Fig. 5: Number of stories for each publication

![Bar chart showing the number of stories for each publication.](image-url)
Fig. 6: Words per Publication
Fig. 7: Stories per position

Fig. 7a: Total words per position
Fig. 8: Prominence scores for all publications
Fig. 9: Most quoted people

Total: 320
Fig. 10: Press release authors

- NZDB
- John Luxton
- Jim Sutton
- Malcolm Bailey
- Jenny Shipley
- Mark Masters
- Helen Clark
- Owen Jennings
- David Carter
- Michael Cullen
- Doug Woolerton
- John Wright
- Peter Dunne
- Rod Donald
- Roger Kerr
- Winston Peters

Total: 50
Fig. 10: Weekly fall of stories
Fig. 11a: Weekly fall of press releases
Fig. 11: Peak news stories
Fig. 12: Authors of Stories

Pie 1
Total: 320

- 83 (25.9%)
- 93 (29.1%)
- 27 (8.4%)
- 23 (7.2%)
- 19 (5.9%)
- 17 (5.3%)
- 16 (5.0%)
- 10 (3.1%)
- 8 (2.5%)
- 5 (1.6%)
- 4 (1.3%)

Legend:
- Staff
- Glenys Christian
- NZPA
- Editor
- Erica Rawlings
- Bob Edlin
- Victoria Main
- John Luxton
- Libby Middlebrook
- Mark Masters
- David Anderson
- Duncan Gillies
- Hugh de Lacy
- Neale McMillan
- Duncan Steans
- 64 Others
Communicating Agriculture

11/15/98 Dairy Exporter Trappings of success stalk co-ops
11/15/98 Dairy Exporter Tastu to keep its identity - but links desirable
11/15/98 Dairy Exporter Maintain and enhance support services
11/15/98 Dairy Exporter Roundtable claims downside of export monopoly considerable
11/15/98 Dairy Exporter Facing market reality
9/15/98 Dairying Today Sir Dryden says farmers should...fight deregulation
9/15/98 Dairying Today Sir Dryden proud of 3 achievements
9/15/98 Dairying Today Tributes flow in
9/15/98 Dairying Today Kiwi shareholders oppose deregulation
9/15/98 Dairying Today Industry moves worry SIDC
9/15/98 Dairying Today Industry too slow to capture benefits
9/15/98 Dairying Today Storey chairman of alliance
9/15/98 Dairying Today Luxton not anti-board
10/15/98 Dairying Today Farmers say...deregulation is dumb
10/15/98 Dairying Today One company needed
10/15/98 Dairying Today Industry thrust to be known
10/15/98 Dairying Today Government full of ideology
10/15/98 Dairying Today Board should be deregulated by June '99, economist
10/15/98 Dairying Today New industry chairman - Storey supports change
10/15/98 Dairying Today Leader to lead NZDG
10/15/98 Dairying Today Does Luxton think farmers are gullible?
10/15/98 Dairying Today Peasants must remain united
10/15/98 Dairying Today Building a profitable future from the current base
11/15/98 Dairying Today Single co., wanted
11/15/98 Dairying Today Rationalisation about improving farmers' wealth
11/15/98 Dairying Today NZDG-SIDC merger benefits entire industry
11/15/98 Dairying Today Value of single marketer has to be addressed
11/15/98 Dairying Today Farmers can keep critical mass - if they want it
11/15/98 Dairying Today Quality candidates line up in election to replace Sir Dryden
9/14/98 Food Technology Sir Dryden closes the gate
9/14/98 MG Business Cocking a snoot at the establishment
9/28/98 MG Business PM wields iron fist in a velvet glove
9/28/98 MG Business War on producer boards lost cause
10/26/98 MG Business Thurman report backfires on Govt
11/22/98 MG Business Rural New Zealand ready for the taking
9/11/98 NBR Producer boards' system needs to be dismantled
10/2/98 NBR People: Appointments
10/16/98 NBR People: Appointments
11/20/98 NBR Dairy Board sees no barrier to joining Nafta
9/3/98 NZ Farmer Lockwood Smith shift makes sense
9/3/98 NZ Farmer Lockwood Smith says he suggested move
9/10/98 NZ Farmer Heir to Sir Dryden announced soon
9/11/98 NZ Farmer How the Commodity Levies Act works
9/17/98 NZ Farmer Kiwi says no to deregulation
9/17/98 NZ Farmer "Maintain the single seller status"
9/17/98 NZ Farmer Deregulation government con
9/24/98 NZ Farmer National may lose farmers
10/1/98 NZ Farmer Questions stay unanswered near deadline
10/1/98 NZ Farmer Inquiry over Jim Sutton
10/1/98 NZ Farmer Reform provides choice, control
10/8/98 NZ Farmer Feds critical of delays
10/8/98 NZ Farmer New chair favours more co-operation
10/22/98 NZ Farmer Farm lobby puts finger on reformers

Appendices....237
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<thead>
<tr>
<th>Date</th>
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<td>11/11/98</td>
<td>The Independent</td>
<td>The Independent</td>
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<td>The Independent</td>
<td>Govt crushes raspberries but eight boards defy deregulators</td>
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<td>10/17/98</td>
<td>The Listener</td>
<td>Rites of Spring</td>
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<td>9/3/98</td>
<td>The Press</td>
<td>New minister not anti boards</td>
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<td>9/5/98</td>
<td>The Press</td>
<td>Sir Dryden Steps Down</td>
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