Powerful Music: Media, Culture and the ‘Third-way’ in
New Zealand
A Grounded Theory Analysis of Kiwi FM

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Abstract

The New Zealand radio market is one of the most deregulated in the world. There are no limits on ownership, very few constraints on content and no quotas for local content. New Zealand’s radio environment reflects the strong neo-liberal principles that underpin the open, market-driven New Zealand economy. Political promises and public discussions about the creation of a nationwide commercial-free public radio service for young people had faltered against these principles in the early to mid-2000s with strong opposition from incumbent commercial radio interests decrying government interference in their commercial rights. It was in to this environment in 2005 that one half of the foreign-owned radio broadcasting duopoly introduced a radio network into the three main cities that played only New Zealand music – Kiwi FM. Within a year the network had failed to attract sufficient listeners and advertisers to stay on-air and was nearing closure. At this point the Labour government of the day stepped in to save the struggling network by giving it access to temporary free frequencies and funding to make programmes featuring New Zealand music. This was an extraordinary situation in that commercial radio in New Zealand is notable for its focus on producing only programming that will create significant profits for shareholders, rather than public service-type programming benefiting national arts and culture. It was also extraordinary in that the government had intervened to support a commercial company to ensure a failed radio network would survive.

This dissertation explores why and how this happened through a grounded theory analysis of the significant amount of official documentation this situation generated, through interviews with key players and other contemporaneous material such as media interviews, blogs and newspaper articles about Kiwi FM. What emerges from this data is evidence of a ‘third-way’ agenda operating in this situation – New Zealand’s version of the then Prime Minister of the United Kingdom, Tony Blair’s ‘Cool Britannia’ appeal to voters in what amounted to public-private partnerships in the cultural sectors of the economy. This ‘third-way’ promise to revitalise a shared sense of nationhood while delivering economic growth through improving the creative industry’s capacity to output marketable culture was echoed in New Zealand. The story of how multinational media company CanWest (owners of Kiwi FM) came to be a partner with the Labour government in promoting New Zealand music demonstrates some of the key issues inherent in this approach.

Importantly, these partnerships rely on personal connections and relationships as well as the growing interconnections and shifting power differentials created between governments and officials, businesses and the media. The Kiwi FM story shows that while partnering with businesses in order to achieve cultural-economic goals such as promoting and monetising a national music culture may seem logical
and low-risk, business necessarily has a longer view beyond the election cycle, and will join into and construct these partnerships in order to gain commercial advantages first and foremost.

This dissertation offers critical new insights into the policy making processes, the commercial decisions and the cultural arguments that were behind the experiment that was Kiwi FM. Ultimately, I argue that substantial deregulation of the media should be carefully considered, as belated attempts to influence the market to achieve government policy goals are unlikely to succeed in a highly commercial media environment driven by competitive pressures and empowered by significant potential influence over the electorate.
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Attestation of Authorship

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 (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning.

Signed:                  Date: 26 November 2015
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I was very lucky to be picked for the very first media studies course at a secondary school in New Zealand, at Marlborough Boys College in 1986. The course included operating a FM radio station – a remarkable experience for a 16 year old that changed my life profoundly. Thanks to Peter Oliver and Steve Kennedy for seeing and fostering talents I did not know I had – as all excellent teachers do.

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Chapter One
Introduction

The purpose of this research is to critically analyse a peculiar and unique government intervention into one of the most deregulated media markets in the world. This intervention is interesting as it contrasts the key notions of unfettered markets inherent in neo-liberal economics with those of public service broadcasting and the promotion of culture as important national values worthy of government attention. New Zealand is one of the most neo-liberal societies that exists today, with a general consensus about the power of free market economics that has become embedded in the political, social and economic cultures of its citizens. Despite this, governments from 2005 onwards have intervened in the manufacture and promotion of popular music, by using public money and infrastructure to support a radio station that champions New Zealand music and is run by a large and foreign-owned private media company. This thesis explores this interesting conundrum and assesses the outcomes of government involvement in private broadcasting in a neo-liberal economic environment.

My interest in this story comes from around 30 years of involvement in radio in New Zealand. I got my first taste of radio as secondary student at 16 years old and have worked across New Zealand and in many professional roles in radio broadcasting since then. I have worked as an announcer, programmer, manager, sound engineer and producer among things and have enjoyed a varied and interesting radio career. I took up tertiary education in my late 20’s and moved into a fulltime academic career in my early 30s, but have remained close to the radio industry both as a part time worker and increasingly as an experienced voice from outside in my role as an academic required by New Zealand legislation to be a ‘critic and conscious of society’. My experience is mainly in commercial radio and it is from this background that I was first interested in the Kiwi FM story, as it seemed remarkably different from the norm of commercial media in New Zealand. While this thesis is partly reflexive, acknowledging my connection to and history with radio, I am very grateful to be able to bring the training, focus and rigour of academic practices to the story and conclusions that unfold in my thesis.

New Zealand

This thesis is sited in New Zealand, the birthplace and home of the author. New Zealand has many unique social, cultural, political and economic aspects, but also has much in common with other countries that are part of the former British Empire grouping ‘The Commonwealth’, such as Britain, Australia and Canada. This introduction, while not intended to be exhaustive, places New Zealand in
the contemporary world, while acknowledging broader historical themes in its development as a nation.

New Zealand is a group of islands in the South Pacific roughly the size of the United Kingdom. Recent scholarship points to the original colonisation of the islands around 800 years ago by the neighbouring Polynesians who are now called Māori1, and named the island group ‘Aotearoa’ or ‘land of the long white cloud’.2 New Zealand was claimed for the British Crown by Captain James Cook in the 1770s and was colonised by Europeans steadily from the 1840s. A treaty signed between the Māori people and the Crown (the Treaty of Waitangi, in Māori: Tiriti o Waitangi) is unique in the history of British colonial expansion and is still a contentious point in the nation’s historical narrative as well as the contemporary social, political and economic environment, with ongoing legal work to settle claims against the Crown for misrepresentations and misdeeds carried out under its auspices during the last 150 years. New Zealand operates a Westminster-style parliamentary democracy, with a Mixed Member Proportional (MMP) voting system with moderate and inclusive coalition governments the norm.

The government at time of writing is led by the centre-right National Party, with the main opposition party the centre-left Labour Party. The parliament is also made up of a significant environmental protection movement (the Green Party), a conservative party targeting older voters as well as anti-immigration voters and those unhappy with Māori grievances over the Treaty of Waitangi (the New Zealand First Party), the Māori Party representing many indigenous voters and smaller support parties such as the classic neo-Liberal ACT Party and a one-seat party (United Future) that supports whichever political block is in government.

New Zealand is a modern first-world country of around four and a half million people, predominately of European extraction (71.2 per cent) with significant Māori (14.1 per cent), Pacific Island (7.6 per cent) and Asian communities (11.3 per cent).3 New Zealanders often refer to themselves as ‘Kiwis’ in reference to one of several national symbols – a flightless, nocturnal and distinctively shaped native bird.4 This moniker is part of the narrative that unfolds in my thesis as both a name and a symbol for an attempt to capture and use an aspect of New Zealand culture for specific reasons. The word is

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1 This thesis will use the preferred English spelling of ‘Māori’, rather than the other English spelling of ‘Māori’ (which is common outside the country) to identify the indigenous people of New Zealand. The version with the macron is increasingly in common usage within New Zealand and is the preferred spelling of the institution this thesis was researched in, Auckland University of Technology, New Zealand.

2 As part of the ongoing development of relations between Māori and the Crown in the wider context of addressing issues inherent in the application of the Treaty of Waitangi, it is becoming more common to see the country called ‘Aotearoa/New Zealand’ in official proclamations and as part of national celebrations, events and publications, and I acknowledge this important development here. For brevity and as this is not requirement of my institution, I will call the country ‘New Zealand’ throughout this thesis.

3 The figures used are from the latest census of the New Zealand population and aggregated on the CIA Factbook website which also features concise information about other key elements of New Zealand geography, society, politics, economics and international activities https://www.cia.gov/library/publications/the-world-factbook/geos/nz.html

Māori\(^5\) and carries ideological weight for New Zealanders and has been co-opted by governments and businesses as a powerful way of connecting their endeavours with a perceived shared understanding of what it means to be ‘us’. This is evidenced in usages such as ‘Kiwibank’ (a trading bank), ‘Kiwisaver’ a national retirement savings scheme and in more prosaic usages such as ‘Kiwi Bacon’, (which is made from pork). The use of ‘Kiwi’ is also longstanding and fundamentally part of notions of ‘New Zealand-ness’ – with media routinely using it to describe New Zealanders collectively in news reports, sports commentary and in more informal forums. For almost 20 years from 1975, a ‘Goodnight Kiwi’ cartoon character was used to end television broadcasting when programming finished late at night.\(^6\) This nomenclature becomes important to this thesis in later chapters as it again used to reinforce a sense of common identity and common understandings.

New Zealand enjoys one of the highest living standards in the Organisation for Economic Co-operation and Development (OECD).\(^7\) New Zealand operates a relatively open economy with dairy products, meat, wood products and tourism the key exports and foreign currency earners. New Zealand has also negotiated an extensive network of free trade deals with other countries, starting with Australia in 1983, and in recent years with Singapore (2001), Malaysia, Brunei and Chile (2005), China (2008), the ASEAN group in South East Asia (2010), Hong Kong (2011) and South Korea (2014) (Ministry of Foreign Affairs and Trade, 2014). New Zealand is an active supporter of the United Nations and sits on the Security Council as an elected member at the time of writing. New Zealand can be characterised as outward-looking and reliant on open trade with foreign markets, the rule of international law and close relationships with the major world powers to enhance its economic and political sovereignty. New Zealand has an international reputation as an open, non-corrupt, democratic and business-friendly, free market economy and in 2014 New Zealand rated second on the Transparency International Corruption Perception Index, after Denmark (Transparency International, 2014). This thesis also considers the nature of business and government relationships against this reputation for transparency and fairness and engages critically with how these elements are contrasted and negotiated when government and business agendas intersect.

Ultimately, this thesis is concerned with developments in an interesting and unique aspect of contemporary New Zealand culture, politics and economics – radio broadcasting and its interactions

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\(^5\) However, it is incorrect in Māori to say ‘Kiwis’ as there is no pluralisation in the Māori language. Despite this, it is in wide and common usage in English.

\(^6\) The same one minute cartoon was used nightly on Television New Zealand and is available on YouTube at: https://www.youtube.com/watch?v=2H2ROGcGUm4

\(^7\) OECD data that covers a wide range of factors, including income, education, health, community, safety and life satisfaction indices ranks New Zealand very high in overall lifestyle, with a 2013 report stating ‘In general, 85% of people in New Zealand say they have more positive experiences in an average day (feelings of rest, pride in accomplishment, enjoyment, etc.) than negative ones (pain, worry, sadness, boredom, etc.), more than OECD average of 76%’ (original emphasis). Sourced from: http://www.oecdbetterlifeindex.org/countries/new-zealand/
with governments, the music industries and media businesses that operate in a small but open economy with contested ideas about what a national culture means in the 21st century.

**New Zealand radio in context**

Radio in New Zealand arrived very early in the development of the original electronic media and was enthusiastically embraced by New Zealanders, with amateurs becoming so sophisticated with the new technology that the government, concerned over the political and espionage potentials of radio introduced legislation for ‘wireless telegraphy’ in 1903, the first such laws in the world (Hoar, 2012). Early New Zealand radio featured a proliferation of signals throughout the country due to the long, skinny and hilly geography of the islands and the New Zealanders’ fascination with the connective power of broadcasting for small, isolated communities. Before 1990, the New Zealand radio market was characterised by heavy state regulation. Despite a heady and ultimately — and by comparison with other illegal broadcasters worldwide — unusually successful attempt to break the government’s broadcasting monopoly in the form of 1960s pirate radio station *Radio Hauraki,* only a small number of private operators managed to negotiate the various hearings, knock-backs and restrictive regulations of the Broadcasting Tribunal, which allocated radio spectrum to companies that could prove they would not take audience or revenue from the government-owned commercial networks. Otherwise, radio spectrum was tightly controlled and reserved by the government until a seismic shift in the previous economic consensus occurred during an intensely neo-Liberal period in New Zealand’s history.

In 1984, the incoming Labour government embarked on a series of dramatic market reforms affecting almost all sectors of the New Zealand economy. Market liberalisation was fast, furious and far-reaching. Almost overnight the neo-liberal economic policies that came to be known as ‘The New Zealand Experiment’ had introduced deregulation by way of parliamentary Acts which dismantled state control of the currency, the share market and assets including telecommunications, rail, forests and by 1989, broadcasting (Kelsey, 2005).

The 1989 Broadcasting Act and the 1989 Radiocommunications Act introduced a system of tradable spectrum leases that allocate broadcasting space to the highest bidder regardless of content, competition with other broadcasters and also the winner’s country of origin. Administering this system is the Ministry of Economic Development, which manages spectrum rights and the Commerce Commission that was charged with ensuring no one operator obtained a significant monopoly of any market (MED, 2014). A new funding agency, New Zealand on Air (NZOA) was created to fund, by open tender, programming made in New Zealand that appealed to New Zealanders and programming for the Māori people. New

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*The Radio Hauraki story is discussed in some detail on pages 33-4.*
Zealand on Air was also charged with funding the commercial-free, state-owned broadcaster, Radio New Zealand and later New Zealand music. This early recognition of the possibility of an open, deregulated broadcasting market failing to deliver local and diverse programming points to one of the key conundrums that has developed over nearly 25 years of deregulated commercial broadcasting in New Zealand, and informs part of the conclusions made in this study.

The opening up of the radio spectrum in New Zealand was akin to a lolly-scramble. The first series of secret-ballot, second-highest bid, spectrum auctions is now infamous for the various intrigues, tricks and quasi-legal conspiracies between aspiring radio companies to obtain premium spectrum in the major urban markets. Some very low prices were paid for major urban frequencies as the top bidder was only required to pay the second highest bid price, causing potential bidders to collude on their auction strategies (Gold, 2001, pp. 15-16). Hundreds of frequencies were auctioned in the early years of deregulation and stand-alone radio stations proliferated throughout the country. After the earlier experiments with auctions, the system was changed to highest bidder auctions, raising lease prices significantly. However, radio broadcasting continued to attract investors large and small as new frequencies were engineered from the available spectrum. The combination of a still under-developed radio market and the relatively buoyant retail sector that commercial broadcasters relied on for advertising revenue meant radio stations were able to prosper in the early years of deregulation (Shanahan and Duignan, 2005).

The number of radio stations chasing the same quantum of advertising money eventually hit critical mass. Many smaller operators and those with large costs folded, selling their leases on to larger companies, who aggregated and networked frequencies from central ‘hubs’ in the major centres, and later from one city, Auckland (ibid.). These operators were themselves traded on the open market, and by 2000 they too had been conglomerated into two major companies that were largely foreign owned (Rosenberg & Mollgaard, 2010). This situation largely pertains at the time of writing, with a stable and profitable commercial radio duopoly enjoying significant market dominance in terms of audience and income (ibid.).

Today the broadcast radio spectrum in New Zealand is tightly packed. More than 800 full-power signals are available for a country of around four and a half million people, the highest per capita in the world (Shanahan and Duignan, 2005, pp. 17-19). Added to this is a Low Power FM (LPFM) regime that allows micro broadcasting at one watt in the ‘guard band’ spectrum sections book-ending the FM radio spectrum. In Auckland, a city of 1.4 million people, there are over 30 full-power stations on the FM and AM bands and around 40 LPFMs.
Unique to New Zealand is the network of indigenous Māori radio stations operating on frequencies assigned to indigenous tribal groupings for free under an amendment to the Broadcasting Act in 1990. Networks for Pacific Island communities also operate under similar legislation and there is a long-standing nationwide frequency allocation for Christian broadcasting (MED, 2014). In addition, a partly government-funded ‘community access’ system operates one frequency in all of the major centres, providing airtime for a wide range of community groups. There are also frequencies reserved for six of the eight universities in New Zealand. The only fully publicly funded broadcasting operation is Radio New Zealand with two New Zealand-based networks: a news, information and current affairs network and a classical and specialist music network. Radio New Zealand is also tasked with providing a news and current affairs service to the nearby Pacific Islands (Radio New Zealand International) as part of New Zealand’s foreign aid assistance to the Islands and is also responsible for broadcasting every sitting of Parliament on its AM network. In addition, Radio New Zealand archives most of its outputs and makes them available through its central website (Radio New Zealand, 2014). More recently, Radio New Zealand has launched an online-only channel aimed at younger listeners called ‘The Wireless’, which generates multi-media content and has a separate, youth-focused editorial and music agenda (The Wireless, 2014). All of Radio New Zealand’s services are commercial free, being fully funded from direct taxation after an earlier ‘Broadcasting Fee’ levied on the public was dropped as part of the restructuring initiated by the 1989 Broadcasting Act.9

Prime Minister Helen Clark and the Fifth Labour government: Embracing the ‘creative industries’

The fifth Labour government came to power in 1999, with a set of popular policies focused on youth, worker and centrist votes, espousing economic growth while reining in the free market, a return to the social consensus on welfare, education and health security and cultural liberalism and a new focus on the ‘creative industries’ as valuable cultural and economic resources (Aimer, 2010, p. 476, Williams, 2000, pp. 23-9, Volkering 2001, pp. 443-6). This approach echoed Tony Blair’s ‘third-way’ challenge to the conservative economic, social and cultural consensus he contrasted with a growing liberal and outward-looking electorate in the United Kingdom in the late 1990s, which was encapsulated in the meme of ‘Cool Britannia’. This focused on engaging the so-called ‘creative industries’ in forming a new base of cultural, social and economic activity that would create new opportunities for the United Kingdom and its citizens, therefore reinvigorating a sense of national pride and providing new and tangible economic benefits (Volkering, 2001, p. 438, pp. 447-9).

Central to the Labour campaign was its leader, Helen Clark, who had spent three years since the previous election defeat in 1996 building a reputation as a straight-shooter and an honest player who was economically creditable but also a strong supporter of New Zealand arts, culture and heritage (Williams, 2000, pp. 23-9, McAloon, 2010, pp.38-9). Clark also managed to cross the perceived gender-divide in New Zealand, becoming the first woman elected Prime Minister and later advocating for New Zealand to host the Rugby 2011 World Cup over a successful four year campaign. Rugby is consistently referred to as New Zealand’s national sport, and it would not be going too far to say that most New Zealanders harbour a deep sense of pride in the national rugby team, the *All Blacks*, who are the current world champions and the most successful international rugby team ever. Clark’s ability to operate in a wide range of social and cultural contexts was one of the key factors in her ability to take the Labour Party through three successful election cycles and nine years of government.

The fifth Labour government deliberately set out to connect itself to the creative industries, recognising not just the cultural and economic benefits of supporting the sector, but also the electoral ones (Volkering, 2001, p. 448). Part of the strength of the Clark government was its appeal to younger and more socially liberal voters (and often, their parents) by introducing socially progressive change across a range of policy platforms. These included introducing interest-free student loans, capping tertiary education fees, campaigning on introducing a commercial-free radio network for young people, legalising prostitution, reforming antiquated marriage and divorce laws and increasing state funding for popular music, television, film and contemporary arts. Clark also chose to take the portfolio of Minister for Culture and Heritage, firmly cementing her reputation as fostering New Zealand identity and culture in an increasingly globalised world (Hayward, 2010, pp. 234-5). Clark was an active Minister for the Arts and Culture and was seen as accessible, open and media-friendly in her various roles (ibid. p. 235).

**An all-New Zealand music radio network**

It is into this supportive political environment that one half of the commercial radio duopoly introduced a radio network broadcasting only New Zealand-made music to New Zealand’s three biggest cities in 2005. This was Kiwi FM, which was acclaimed as a major move forward for New Zealand music by Clark and the Labour government, the parent company CanWest and by many musicians and critics. However, within a year the radio network had failed to attract a significant audience or enough revenue to cover its costs and was in danger of being pulled off-air all together. It was at this stage that

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the Labour government stepped in with a rescue package for Kiwi FM – assigning it temporary free frequencies that had been reserved for future developments in public broadcasting, and offering it public funding for specialist music shows.

This radio network and the extraordinary way in which it survived despite not generating large enough audiences (and therefore advertising) income to operate without direct government support is the case study for this thesis. My own interest in Kiwi FM is grounded in a sense of unease which is informed by my own experience of 25 years of working in commercial radio in New Zealand as a disc jockey, music programmer, station manager, promotions organiser, writer and sound engineer. Throughout my time in commercial radio one axiom dominated all others – commercial radio is first and foremost in the business of making a profit (my emphasis). Any other concerns, such as arguments for ‘quality’ programming, localism, nationalism, creating educational or in-depth and challenging content, supporting music, drama or the arts were always subservient to the need to make a healthy return for the owners or shareholders of the company. Beyond a certain depth of ‘insider knowledge’ of how these commercial companies operate in New Zealand, I also retain many friendships and contacts in the industry, and was granted two key interviews with senior government and ex-MediaWorks executives, who I believe felt they could be very candid due to our long associations. I was perhaps granted much more detail and insight into their thinking and actions than someone they did not know or trust, and their insights are critical to the outcomes of this research.

The profit prerogative of New Zealand commercial radio still holds true today, so I was surprised and perplexed when Kiwi FM, an untried, commercially risky and seemingly altruistic attempt to champion New Zealand music above producing a much ‘safer’ and more ‘commercial’ format was launched. The fact it was produced by one of the most profit-orientated companies in the global media environment, the CanWest subsidiary MediaWorks New Zealand, fascinated me enough to begin, from very soon after its inception, to study Kiwi FM and to gather data from official documents, media statements and other sources. The data generated by the Kiwi FM situation has allowed me, by using the ‘grounded theory’ methodology, to tease out some previously hidden impacts of significant deregulation of the media and attempts by governments to adjust to the new realities of highly commercial media systems when creating and implementing policies around the creative industries, the arts and culture. This case study also shows the conundrums faced by governments that attempt to engage with private sector-based creative industries for wider policy goals and also how the private sector operates in its own best interests in these situations. There also emerges revelations of the highly personal nature of these situations, as power brokers from both camps negotiate at close quarters and through personal relationships, but from separate positions to achieve their different goals. These elements construct a more nuanced understanding of how policy and practice come together to enable
unique outcomes like Kiwi FM in the policy environment that is peculiar to New Zealand.

Kiwi FM has generated a large amount of official correspondence and other recorded material which has been released to the author under New Zealand’s Official Information Act (OIA), and is used as a key part of the data set analysed here. New Zealand has a relatively open and easy to use system for gathering official information from the government through the Act. Any citizen can ask for information about any issue that the government is involved with and Ministers and ministries must endeavour to supply all the relevant information available in a timely manner - albeit with some restrictions around individual privacy, national security and commercial sensitivity - meaning information can be withheld or redacted in certain circumstances. Ministers and ministries are also required to pass on the request for information to other government departments if they are unable to properly answer the request. The service is also free, unless there are significant costs in making physical copies of the information that would be an unreasonable burden on the taxpayer.

This relative freedom of official information is invaluable to researchers, as it reveals through policy papers, emails, intra-governmental communiques, minutes of meetings and other documents the often opaque workings of government from behind the scenes, and also interactions between government, businesses, citizens and other interested parties. The Official Information Act was used twice during this research, firstly in 2008 to gather some initial indicative data to begin the project and again in 2011 to broaden and deepen the data set being compiled. My request in both instances was very simple ‘please supply me with any information on Kiwi FM that you hold from 2005 until now’ (first request), and ‘from 2008 until now’ (second request). Both requests were made to the Minister of Broadcasting at the time. Around 300 pages of material was received, reviewed and used in my thesis. Also in the data studied here are various sources from the print and television news media as well as online sources such as websites and blogs where appropriate. All of these sources are listed separately in the reference list.

Critical to this thesis are two interviews with key players in the development of Kiwi FM, the former head of Kiwi FM’s parent company. CanWest New Zealand – Brent Impey, and the Head of Music for New Zealand on Air – Brendan Smyth. These two informants were chosen as they represented two different, but critical sides of the story – the governmental and the business interests involved in Kiwi FM. Their contribution is rich and detailed and includes personal observations of previously unseen facets of the story that were opened up after designing questions for the interviews that came from initial sampling the OIA documents and abstraction of the data set as a whole. These interviews reveal nuanced insights, but also contribute to the larger thematic discussion and theoretical developments that emerge in my thesis.
The grounded theory methodology has allowed all of these elements and this large amount of data to be abstracted to a high degree and has produced significant new connections and grounded theory engaging with the impacts of deregulation of the media that has clear explanatory power, the ultimate goal of grounded theory approaches.

Structure of the thesis

This research was carried out using the grounded theory methodology developed in the last 50 years as a way of gaining critical and previously unnoticed or unconsidered theoretical understandings of particular phenomena that have clear explanatory power. The next chapter discusses grounded theory and how it was conceived and has developed, as well as how it has been applied in the Kiwi FM case study. The grounded theory methodology is discussed first here as this construct is one of the key elements of the method – asking the researcher to acknowledge and then manage their own perceptions of the phenomena first and foremost, and then begin the process of gathering data, reviewing literature and engaging in abstraction and analysis of the data. This is a key difference, and I argue, strength of grounded theory, and particularly in its application to this research project. I was able at this stage to account for my own understandings and ‘place’ in the unfolding research process at the very beginning, while using my experiences in the radio industry to find and begin pulling together divergent themes and abstractions in the data gathered in an intuitive way in order to generate new theory.

The next section of this thesis is the literature reviewed for this research. During the initial phase of research and preparation for this project using grounded theory techniques, three clear thematic groupings emerged as important to the literature study informing the research here. One was the deregulation of New Zealand radio and how that has been perceived and critiqued in the wider context of the neo-liberal environment of New Zealand since 1984. Scholarship around music radio is also important to this research as it helps to put context around Kiwi FM and also the broader radio and music industries. Finally, critiques of music as part of national culture are considered here too, as they resonate with the Kiwi FM situation as a constructed element of a national musical culture. These three elements are approached individually, but are considered as whole throughout the research as the data is analysed abstracted and new theory emerges. As with a lot of grounded theory research projects, the literature review was constantly updated during the process of using the data as new lines of inquiry opened up.

The data gathered throughout the project is then organised, reviewed, analysed and reorganised using the methods developed by grounded theorists that are explained in the methodology section. This section separated into five chapters, with the first critically engaging with how Kiwi FM began in terms
of motivations and the opportunities presented by shifts in cultural, social and economic priorities occasioned by ‘third-way’ politics being deployed in New Zealand.

The next chapter engages with how Kiwi FM was able to reorientate towards these new realities in order to continue broadcasting with very little audience and revenue, and therefore very little chance of continuing to broadcast in a commercial environment without government support. This chapter critically analyses interactions between Kiwi FM, the music industries and the government and its bureaucracy to show how Kiwi FM engaged these different players in different ways in order to successfully obtain government support. Also included is analysis of wider public and music industry reaction to Kiwi FM’s new model and how that was framed as part of the unique, and at times, controversial situation that was developing around the network.

The next chapter then analyses Kiwi FM as it becomes a conundrum for the government, and examines the changing nature of the relationships between the goals and priorities of both in relation to this unfolding conundrum. More insights into how those involved perceived the directions and priorities for Kiwi FM are revealed here, with both agreement and dissension emerging among those involved and in the wider public domain.

A further chapter critically engages with how Kiwi FM was able to sustain its preferred structures and directions in the face of criticism and pressure to conform to agreed parameters for its operations. This chapter also examines the arguments made for the network as a ‘special case’ in terms of a national cultural artefact and how those sentiments were interpreted by different parties and ultimately resolved.

The final chapter in this section demonstrates how successful Kiwi FM was in negotiating the various elements that had won it ongoing government support. This chapter is about the perceptions, expectations and actions of the different parties involved, but also critically analyses the position of power that Kiwi FM was able to create in its relationships with the government and its agents, leading to favourable outcomes well beyond earlier initial support for the network.

The summation of this study then shows that there is real cause for concern when deregulating a nation’s media systems – especially to the degree that exists in New Zealand. The Kiwi FM phenomena reveals a problematic relationship between governments and the commercial media in heavily deregulated media systems that needs to be scrutinised in terms of power differentials and policy settings.

Finally, it is hoped that this contribution will provide deeper insights into the outcomes for the media,
governments and citizens when media deregulation combined with ‘third-way’ policy platforms that link economics, culture and social progress are attempted to promote nationhood, culture and their attendant economic benefits by engaging the private sector in fulfilling policy goals.
Chapter Two
Literature Review

Part one: The deregulation of New Zealand radio

A significant proportion of scholarship about radio focuses on the history of social, cultural, political, economic and technological developments that are integral to the radio we have today. These works document and analyse significant movements in radio’s historical development, and their impacts on radio audiences. Variousy called ‘social’ or ‘cultural histories’, these approaches are rich in detail and expand our understandings of radio as media and as a place of contested ideas about the role of the media in society. Works such as Michele Hilmes’ *Only Connect: A Cultural History of Broadcasting in the United States* (2006) and *A Social History of British Broadcasting: Serving the Nation* by Paddy Scannel and David Cardiff (1991) typify this approach. More recently David Hendy deepens this approach with detailed and nuanced history of BBC Radio 4, one of the most contested and popular radio stations in the United Kingdom, broadcasting since 1967 (Hendy, 2007). These works offer ways of seeing the gradual development of radio as an experimental electronic medium, one that was a battleground for ideas about the power of broadcasting and the social contract between governments and their peoples as well as the commercial potentials of new media technologies. These treatments illuminate the debates about the place of broadcasting in society and how different ideas about the potential and worth of the airwaves were developed in Western, capitalist countries. The contrast between the ‘public service’ model of the United Kingdom and the commercial, self-sustaining model of the United States for broadcasting services is played out here too, and strongly reflects the general scholarship about the freedoms and fetters that are applied to national broadcasting systems and the effects of policy and the market on media developments.

New Zealand authors have also taken these approaches, with two significant examples being the story of the ‘pirate’ radio station Radio Hauraki’s successful fight to gain a private broadcasting license during the late 1960s, *The Shoestring Pirates* by Adrian Blackburn (1994) and the story of the highly influential radio station 1ZB moving from a public to private ownership by Bill Francis (2006). Histories of earlier radio developments in New Zealand include *Voices in the Air* by Peter Downes and Peter Harcourt (1976) and Patrick Day in *The Radio Years* (1994) which take a nostalgic view of the ‘golden days’ of early New Zealand radio. These works, while celebratory, and often sentimental in tone, do offer ways of seeing earlier debates about the role of government, business and audiences in the development and governance of the airwaves. This shows debates in New Zealand from the early 1900s...
onwards swing between the British ‘Reithian’ model of broadcasting having value in its potential to inform, educate and entertain and the market-friendly, American system that enabled and encouraged commercialization of the airwaves. These early debates are essential in charting the development of a unique New Zealand approach to regulation of the media, which is a core concern of this work.

While acknowledging these approaches are somewhat influential on this study, the approach here is different. This work concentrates on the period after the deregulation of New Zealand broadcasting during the late 1980s and early 1990s, with a focus on the effects of deregulation that have become more apparent since the mid-2000s. Here the discussion captures key theoretical exploration and critiques of the deregulation of broadcasting and moves into the unique New Zealand situation, while placing it in context with broader thinking about the place of citizens, governments and business in broadcasting. While not intended to be a history of the deregulation of New Zealand radio, it necessarily covers key elements of the developments that influence radio in New Zealand today. There is very little published about the deregulation of New Zealand radio. This review traces critical approaches to deregulation and incorporates the key sources available on the New Zealand situation as well as wider discussion of media deregulation and the forces of change that have driven recent developments.

Critical approaches to the media

One important earlier grouping of media theorists and in particular Theodor Adorno, provide some critical early groundwork for interrogating radio as an important way of reflecting on the structural imbalances being created by the spread and entrenchment of capitalism in the Western world. Adorno and the ‘Frankfurt School’ group of researchers saw in the industrial revolution a ‘standardization’ of culture that could be characterized as the ascendance of ‘low’ over ‘high’ culture. This mass-produced and machine-like repetition of simplistic and uninspired cultural artefacts such as popular music was critiqued as a reflection of the cultural lives of the uninspired masses. This was a process of ‘pseudo-individualization’ that markets encouraged by producing products that while niched enough to attract certain consumer groups, were bland and uncritical and lacking in any political or cultural challenges that could disrupt the status quo of society’s power structures and the lives of the powerful (Adorno, 1991). In this manner, deep political and social discourse was circumvented by the priorities of the wider capitalist project of creating consumers rather than citizens. Adorno criticized the ‘culture industry’ as

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'anti-enlightenment' offering 'substitute gratification' rather than a fulfilled, engaged and happy life (Adorno, 1991, p. 92). Adorno’s perspective argues for protection of media systems from the encroachment of the ‘culture industries’ as a social and political good, allowing the full development of the media, beyond the commercial and light-entertainment aspects that had developed during the early part of the 20th century. This critique also extended to the propaganda power of the electronic media, evidenced in the emergence of the powerful Nazi radio broadcasting system that used radio to build and reinforce Nazi ideological constructs. Adorno’s approach can inform a critique of the development of commercial radio broadcasting that is aimed at attracting large, uncritical audiences that can be ‘sold’ to advertisers as amorphous ‘demographs’. Very little that challenges consumerism, the normative ‘mainstream’ or critiques power is allowed to develop in this system. For Adorno, the system becomes a largely uncritical framework for constructing wider societal structures, limiting digression and protest while encouraging shallow thinking and circumscribing deep political and interpersonal engagement.

Developments of this earlier critique can be found in the ‘political economy’ approaches developed during the 1980s in the United Kingdom by scholars such as Graham Murdock and Peter Golding (1997, 2005). Murdock and Golding began to reframe thinking about the media, including radio, in terms of its structural and institutional power bases and how the encroachment of capital into the public sphere potentials of media were reshaping national media systems to be fundamental supporters of the wider capitalist project. This neo-Marxist attempt to reinvigorate debate on the place of the media in the deeper normative and philosophical operation of society is still highly influential on studies of the media and society today.

Of particular concern to Golding & Murdock is the development of critical approaches to the political economy of the media that are ‘holistic, historical, centrally concerned with the balance between capitalist enterprise and public intervention and go beyond technical issues of efficiency to engage with basic moral questions of justice, equity and the public good’ (2005, pp.72-3). Their work interrogates notions of power, society, place, class and culture in understanding media influence and the effects of governments, communities and capitalist organizations on notions of national and local culture and the generation of meanings. They argue for a detailed examination of connections between capital, media enterprises, regulation, audiences and cultural production, including the spaces for counter-discourse and ‘micro-cultures’ in the deregulated and increasingly commercialized media (ibid., p.91). Golding and Murdock essentially argue for an all-encompassing critique of capitalism that focuses on the human and lived experience of people facing the loss of localness, agency and a voice in the face of media deregulation, ownership consolidation and commercialization of media outlets. For Golding and Murdock, cultural production and consumption becomes an activity of an empowered mainstream, with the margins and fringes increasingly ignored or relegated poorer services.
In the United States, a related critique has developed from theorists such as Robert McChesney, who seeks to expose the influences of corporate ownership structures on American media freedoms and public debate. McChesney’s work on radio is critical in that it strives to expose in detail the ownership structures that exist and also any signs that American public life is being compromised by the capitalist free market media system that has become increasingly centralized and corporatized (McChesney, 1999, 2002, 2008).

Analysing media deregulation includes interrogating government policy making, media economics, and notions of public versus private power relationships in national media systems. McChesney’s analysis of multi-national corporations and their ties to media as well as other large commercial enterprises and their generally negative and constraining influence on political, public and cultural life through their overwhelming media power is therefore important at the macro level, exposing and interrogating the influence of media ownership patterns on content and also the restricting effect of corporate media power on democratic political processes as business seeks to maximize its influence on policy makers in order to protect and enhance profits (McChesney, 2002).

McChesney also argues that the real issues of deregulation are not about regulation versus free markets, but about regulation ‘in the public interest versus regulation that serves purely private interests’ (2003, p.126). McChesney argues that enterprises that have previously been heavily regulated or publicly owned need to very carefully handled in policy making around deregulation, pointing to examples such as the catastrophic collapse of the United States electricity supplier Enron as an example of deregulation gone terribly wrong (ibid. p. 128). McChesney advocates for a much more careful and considered approach to market liberalization of the media than what was allowed in the flurry of neo-Liberal deregulation in the Western world during the 1980-90s. McChesney argues that media deregulation will fail to enhance choice, democratic participation and society’s progressive development unless it has the public good as a central concern, creating a deliberate diversity of voices and is also strongly focused on informing and empowering citizens to make choices about how they are governed as well as their wider personal and public lives and wellbeing of the community as a whole (ibid.).

McChesney has also explored the ‘coring out’ of national radio systems by media corporations with the loss of localism and the realignment of audiences from critically engaged participants to placid consumers that the significant commercialisation of broadcasting has created (McChesney, 1999). This analysis can be applied to the New Zealand radio ecology as the profit-driven development of radio and associated technologies in New Zealand has led to significant labour reductions, networking and standardisation of programming in order to realise larger and larger profits for foreign-owned
multinational companies (Rosenberg, 2008). In this system, most radio signals feature the safest and most popular songs that are organised into formats in order to attract specific consumer groups for advertisers. There is very little that is critical in this system as the strict management of programme elements is designed not to confront but to entertain. The deeper structures of commercial radio are discussed in detail later in this study.

This analysis is further developed by Dwayne Winseck working in Canada who shows that deregulation leads to explosive ‘numerical diversity’ (the number of outlets) while conversely ‘source diversity’ (the number of content creators) shrinks to the point that it is harmful for open democratic societies (2008). Winseck traces the financial influence of banks and other large capital sources on media consolidation, content and work practices as well as the influence of media moguls such as Rupert Murdoch and James Packer on national media systems. Winseck also points to the growing use of litigation, copyright enforcement technologies and the influence of advertisers on the shrinking pool of media ownership groups as constricting content diversity and information gathering in the major Western democracies (ibid.).

Other important structural analysis come from Nicholas Garnham and his approach to interrogating the constriction of public, cultural and intellectual life by the reshaping of the media and societal communication by the forces of capital that is both global and also local by nature (Garnham, 2000). Garnham’s framework for assessing the structure, conduct and performance of the media industries is informative as it provides ways of seeing national media enterprises as part of a macro-economic and socio-political system (Garnham, 1990). Garnham also argues that changing technology, government policy and demographics play an important role in assessing the media (ibid, pp. 48-49).

Related to this work is the challenging and wide-ranging historical and critical philosophical approach to the poverty of human experience and potential enforced by capitalistic media structures presented by Vincent Mosco (2009). These critiques resonate with Golding and Murdock’s attempts to ‘humanize’ the results of growing corporate control of media systems exposed to the market by deregulation that removes the audience as citizens from the construction of government media policies. These approaches also forefront ideals of natural justice, empathy, gifting, the pursuit of equality and commonality of experience and purpose in designing media regulation as they argue that media are a different human activity that have deep importance beyond other commercial enterprises, and are therefore not suited to the forces of open markets and should be protected and nurtured for the common good in the interest of society (ibid.).
Robert Wallis and Krister Malm (1993) have explored how broadcasting is shifted from a state monopoly to commercial oligopoly by the dismantling of controls and fetters over ownership and content in national broadcasting systems. Proposing that the removal of government controls, the privatization of the media, the adoption of new technology such as computerization and networking and the conglomeration of media companies lead to the creation of a ‘new oligarchy’ in the media. For Wallis and Malm, the period of deregulation during the 1980s-90s promised a new, liberal and diverse media system, driven by audience needs but in fact was a transferral of media power from one monolithic system (governments) to another (corporations) (ibid.). This analysis resonates with the New Zealand experience where almost all controls over radio ownership and content have been removed and almost all government radio was sold directly to corporations in short order, which have now become a monolithic duopoly – an oligarchy of a type only a market where the only rule is that no one company can own a majority of radio services could allow. This particular approach is informative, as it almost explains what has happened in New Zealand. I believe it is missing one element – the effect of close relationships between business people and government ministers and workers – which will be elaborated on later.

Michele Polo (2007) has also explored concerns about diversity and local outcomes in unregulated broadcast markets. She posits that a fully deregulated market may fail to provide a diversity of tastes and views and that other mechanisms are needed to compensate for this ‘market failure’ that can be regulatory but can also be independent of government. Polo envisions a multi-layered system of regulations and modifiers that balance government, commercial and public needs in the often politically fraught area of broadcasting. This system would rely on clear delineation of broadcasting goals and outcomes for the different sectors (ibid.). This is an interesting nuance in the New Zealand case as there are some regulatory bodies that affect radio (such as the Broadcasting Standards Authority), but they sit firmly outside of government purview, meaning the government has no legal way to regulate radio in New Zealand. Polo’s arguments again resonate strongly with the themes that have emerged from this research that seems to point at the development of new ‘norms’ and ‘rules’ being driven by businesses goals, rather than by deliberate, considered policy generated by governments.

Douglas Gomery (1989) argues that the conversion of a media system from a largely public asset to a largely unfettered private market has profound implications. The deregulation of New Zealand radio has produced political, economic, cultural and social outcomes that are unique to New Zealand broadcasting, but also reveal more universal facets of capitalist media structures (Golding and Murdock, 1997, p. xvi). As the mass media are ‘fundamentally economic institutions’ (Gomery, 1989, p. 43) the critical issues of ownership, management and institutional structures of the mass media affect the products they produce. Key to this analysis is the most basic element of the organization of the mass
media – who owns it. Gomery states that the development of the ‘mass’ media has created a unique set of outcomes that need to be interrogated as an economic phenomenon in terms of its structure, conduct and performance. Gomery’s evaluation of the partial deregulation of the United States’ radio market is positive in that the ‘second best solution of monopolistic competition’ – a way of removing content and reporting requirements while increasing the amount of signals and formats – meant that most of the audience got some benefit from deregulation (p.57). Gomery saw United States commercial radio in 1989 as ‘not far from a perfect market’ and the lack of government intervention as ‘making the market work very well’ (ibid.). This reflects the initial intentions of the deregulation of New Zealand radio, although the United States did not go as far in terms of allowing removal of ownership and monopolization restrictions.

Kalyani Chadha and Anondam Kavoor (2005) focus on the influence of globalization in changing national media systems. Pointing to a ‘profound international move in the direction of neo-liberalism’ that has led to media policy being realigned to market-friendly reform, Chadha and Kavoor argue that public service broadcasting is increasingly under threat from commercial interests such as multinational and multi-media conglomerates that have developed an appetite for national media assets (ibid). This is often supported by government initiatives to counter ‘threats’ to national markets caused by the global cultural production industry but also the pursuit of economic growth in terms of foreign investment or opportunities for national media elites to enter international markets (Chadha & Kavoor, pp. 85-100). They also criticize the ability of international media elites to make connections in government that ease their entry into new markets and support commercial broadcasting agendas such as deregulation, domestication of global formats and programming such as ‘reality’ television and headline-driven American style news services (ibid., pp. 95-8). This also aligns with the New Zealand experience. Ultimately, Chadha and Kavoor argue that there is a ‘dialectical interplay’ between the media and globalization in the deregulation and commercialization of national media systems. This interplay goes beyond concepts of globalization as ‘homogenization’ and interrogates the roles that governments, media owners and new technologies have in creating market-orientated national media policies (ibid., pp. 98-100).

David Hendy examines the production, distribution and reception of radio in depth in Radio in the Global Age (2000). Hendy analyses the relationships between radio producers and their audiences and the nature of radio as part of the increasingly globalized culture industries. Hendy sees radio as still a ‘socially central’ technology, but one that is constantly evolving new styles and ways of reaching its audiences, rather than a static medium that has been relegated to the past by newer technologies (Hendy, 2000, pp. 1-7). Hendy examines the global structures of radio and the contradictions between commercialization, access, localness, globalization and the public sphere. For Hendy, the tensions
between radio as a ‘public good’, providing a democratic medium for expression, information and education, and the commercialization of radio that has provided more ‘products’ to more audiences is part of the ongoing process of globalization. Hendy sees innovation at ‘the margins’, where new types of radio are evolving, but also that the ‘macro view’ can be unhelpful in understanding how local markets develop unique radio systems, commercial, non-commercial or mixed-model (Hendy, 2000). He also reviews the situation in New Zealand, discussing the transnational ownership of much of the radio market, pointing to the penetration of transnationals into broadcasting were regulation is at its ‘loosest’ and the potential to make large profits is not handicapped by content restrictions, ownership rules and public-service requirements (ibid., pp. 44-6). Hendy also questions some of the cultural outcomes of deregulation in New Zealand, particularly for local music, which at the time was a tiny proportion of commercial radio’s playlists. The ‘onslaught of Anglo-American imports’ is aligned to the tightly-targeted and risk-adverse nature of commercial radio that privileges safer international superstars over lesser known local musicians (ibid., pp. 223-4, pp. 237-8). This argument is revisited later in this chapter.

There are also further insights offered by Andrew Dubber who explored the digitization of New Zealand radio using a McCluhan-ist framework, arguing that a ‘soft technological determinist’ approach is a valid way of understanding what has happened in New Zealand radio. To this end, he states that ‘the form of media brings the greatest impact’, rather than the content (Dubber, 2007, p. 23) Dubber believes that digitization and deregulation were notable as ‘virtually synchronous events’ that have worked together to transform New Zealand radio in intrinsic ways (Dubber, 2005, p. 69). This has meant a preference for music formats over ‘full service’ formats and the ascendance of youth formats over those aimed at older listeners as well as the prevalence of automation and networking over live and local radio in New Zealand. The challenge to New Zealand broadcasting occasioned by the Radio Hauraki ‘pirate’ offshore broadcasts that helped develop commercial radio in New Zealand means a new type of radio has become the norm – one that could only happen in such a deregulated environment with the available technologies. Dubber takes the view that a McCluhan-ist approach can and does work with other approaches, such as political economy, to provide a richer understanding of radio ecologies (Dubber, 2007).

The deregulation of the New Zealand economy

In order to contextualize the impact of deregulation on New Zealand radio, it is necessary to discuss the unique set of circumstances and actions that have created the environment radio now operates in. While there are parallels with the theory and practice of market driven economics, dubbed ‘Thatcherism’ in the United Kingdom and ‘Reaganomics’ in the United States (Freedman, 2008, p. 39), there are distinct differences that created the opportunities for the New Zealand government to pursue
arguably the most broad-based market liberalization programme ever attempted. The results of this
drive to free almost all aspects of economic, social, cultural and political life in New Zealand from ‘red
tape’ are also unique to New Zealand and require further elaboration in order to contextualize the
developments studied here.

New Zealand faced an economic crisis in 1984 as the incumbent conservative National Party Prime
Minister, Robert Muldoon\footnote{An excellent biography of Robert Muldoon and his style of government is by the
former head of Political Studies at the University of Auckland, Barry Gustafson. Gustafson also stood as a National
candidate in 1987 and has intimate insider knowledge of the Muldoon government as well bringing subtlety and
nuance to academic treatments of Muldoon and the significant influence he had on New Zealand’s economy and
University Press.}, who was also the Minister of Finance, had regulated and manipulated the
economy to the point it had become overburdened with tariffs, import restrictions, international debt
and an over-inflated and artificially adjusted currency. The Fourth Labour government came to power
on the back of an ill-advised snap election that failed to catch out the left-wing Labour Party opposition
as Muldoon had hoped. There was a massive swing to Labour in the ‘first past the post’ electoral system,
demonstrating the electorate’s weariness of Muldoon and his nine years of command-control policy
making. Almost immediately the Labour economic agenda – so startlingly different from the traditional
left-wing economic husbandry of the macro economy – became clear. Labour began by promising to
reignite the New Zealand economy after years of stagnation, import controls and wage and price freezes
(Goldfinch, 1998, pp. 181-84). The reengineering of the New Zealand economy was deep, fast and
furious – deliberately. The key driver of the neo-liberal agenda was new Finance Minister Roger
Douglas, who along with his ‘finance team’ of David Gaygill and Richard Prebble saw a unique
opportunity to instigate a set of controversial and widely criticized hard-right economic remedies to
So involved, convinced of and engaged in the reforms was Douglas that the set of policies were quickly
given the moniker ‘Rogernomics’ by the media as a catch-all that is still in common usage today.
According to Shaun Goldfinch, the basic foundations of Rogernomics were derived from ‘neo-classical
economic theories’ and were instituted in a ‘remarkable’ manner (Goldfinch, 1998, p. 177).

Goldfinch also acknowledges the small population and a lack of resistance to change, the
‘institutional simplicity’ of the Westminster system of New Zealand’s government and the influence of
business, financial and policy-making elites on government thinking and policy development during this
period (Goldfinch, 1998). Goldfinch points to an important difference in the Rogernomics approach
that defines it from other neo-liberal programmes at the time – making large changes to the regulatory
environment all at once – what Douglas called ‘quantum leaps’ so as to avoid interest groups mobilizing
in time to ‘drag you down’ (p. 199). This approach meant that much of the New Zealand deregulation
programme happened at such rapid pace that few outside government could form a coherent view of what the entire programme was trying to achieve. Goldfinch concludes that although the market reforms and deregulation of the Rogernomics period did bring significant transformation and benefits for some sectors of New Zealand society, they were not ‘wholly for the good’ (ibid., p. 199). Goldfinch argues that resentment, income disparity, extended recessions, an electorate fearful of further change and the undermining of the legitimacy of the political system itself were the real costs of such rapid and wide-ranging economic reform (ibid., p. 199-200).

According to legal expert, Richard J. Osbourne, Douglas introduced a ‘monetarism’ model to the New Zealand economy, which required market based resource allocation, opening up of the economy to significant foreign investment, devaluation of the dollar, lowering of corporate taxes, removal of tariffs, grants and protections used by local producers and manufacturers and the wholesale deregulation of government activity that interacted with the ‘market’ (Osbourne, 1990). In this manner electricity, construction, insurance, education and broadcasting among other things were opened up to the market in short order, becoming what Douglas imagined as fair and equitable (Osbourne, 1990, p. 160). Conversely, those on the true left of the political spectrum were highly critical of the consequences of the open market. Union leader Ken Douglas claimed Rogernomics ‘butchered large sections of the economy and population’ (2005) and left wing columnist and academic Bruce Jesson described it as ‘dogmatic and extreme … and entirely negative (1988).

Key to this reorientation of the entire economy were three vital elements – goals, speed and composure. Writing 20 years after the reforms began, Douglas explains these key aspects in the unrepentant and somewhat self-congratulatory account *How We Did It* (Douglas, 2005). The ‘goals’ were ‘a clear vision of what we wanted to achieve’, free from any distractions such as ‘questions about how to get there’ (ibid., p. 57). These ‘goals’ were largely about avoiding the ‘trap’ of ‘tax-funded’ provision of services such as schools and hospitals (ibid.). ‘Speed’ was essential in order to prevent the ‘collapse of support’ for reform. This element of the deregulation of the New Zealand economy is often underplayed, but is essential to understanding how many potential critical voices and groups were ‘blindsided’ by the pace of change. The rapidity of the Douglas programme meant that no serious counter-organization had time to form a consistent and credible policy alternatives before Labour had passed large swathes of enabling legislation and had enacted critical policies such as floating the currency and changing longstanding rules about foreign investment (ibid, p. 58). Combined with the other parts of the Rogernomics programme, speed was the defining element that drove the deregulation enterprise. Finally, ‘composure’ was the key to holding the upper hand as the effects of rapid and widespread change become obvious. As job losses in previously protected industries mounted, as unions began pushing back and as state servants, academics and newspaper editors began to vocalize growing
disillusion with the new economic realities, Douglas and his team held to the course with steely resolution. Douglas describes the policy as ‘don’t blink, public confidence rests on your composure’, as ‘research showed people became hypersensitive to any signs of uncertainty in politicians’ (ibid. p. 59). Within a few years, New Zealand had opened its deregulated economy to virtually unrestrained foreign investment and ownership in almost all sectors, including broadcasting.

While much of the rapid and deep Rogernomics reforms happened without serious and organized counter-struggle, the passing years gave critics time to reflect on the impact of the changes. Opposition to Rogernomics and the slightly slower but just as wide ranging extension of the project by the new 1990 National government grew and coalesced throughout the 1990s. Jane Kelsey’s critiques of the significant reform of New Zealand’s economic system and reorientation to a market-driven and globally dependent society are informative. Kelsey’s assertion that the ‘structural transformation’ of the economy actually had far-reaching effects, such as those on the media and the quality and quantity of information available to citizens, perhaps unintended by the original architects of change resonates with other critiques of capitalist media structures (Kelsey 1991, 1999). Kelsey laments the ‘faceless transnational corporations’ that own most all of the New Zealand media (1999, p.2) and is highly critical of these ‘media empires’ that have ‘the power to shape people’s views’, further constraining public debate (1999, p. 195). Kelsey points the lack of funding for public media as part of the wider malaise of limited citizen participation in political life that deregulation, globalization and the market-driven orientation of the New Zealand economy has created (1999, pp. 195-198).

Kelsey cites earlier work by Bruce Jesson, whose critique was dialectically sophisticated in that it was both neo-Marxist and nationalist, as he examined the reorientation of the market, manufacturing, labour, government policy and legal structures towards global capital during the 1980s and 1990s. For Jesson, ‘only their purpose’ was ‘mad’ as the politicians and business players that so quickly and comprehensively transformed New Zealand society by deregulating almost every aspect of the market were rational and intelligent actors who were able to force change by winning enough consensus from the electorate and also business and policy elites, despite the highly experimental nature of the extreme change New Zealand was subject to (Jesson, 1999). Jesson includes the media in his assessment of the outcomes of deregulation, as one of the key collaborators, as well as a significant victim of the significant changes of the late 1980s and early 1990s (Jesson, 2009). Jesson was particularly critical of the opening up of the New Zealand economy to unrestrained foreign investment as it meant New Zealand ‘swapped assets for debt’ and ‘lost any shadow of economic sovereignty’. The selling off of New Zealand media outlets and broadcasting spectrum to overseas interests became another example of this loss of sovereignty for Jesson. (Jesson, 1999, pp. 236-7).
Both Jesson and Kelsey adroitly critique the outcomes of significant deregulation as the influence of foreign capital on New Zealand markets distorted the economy away from manufacturing, regional industry and local ownership of assets. International finance became attracted to New Zealand broadcasting almost immediately after the passing of the instruments of deregulation. New Zealand media buyouts were seen as highly attractive propositions as the country had no limits on foreign ownership, content or cross-media ownership. It was touted as free-market and business friendly to overseas investors by governments and local business players (Rosenberg, 2008). Deregulation was sold to local broadcasters and audiences as emancipatory, progressive and inevitable with the added bonus of huge amounts of foreign capital being injected into the New Zealand media system. Kelsey argues that globalization became an absolute in New Zealand economic orthodoxy during the 1990s as New Zealand governments sought to make connections beyond Australia, the United Kingdom and the United States. Kelsey saw this as a ‘constructing orthodoxy’ by ‘shaping the consensus’ around the penetration of globalization and the neo-liberal agenda into almost every aspect of New Zealander’s lives, not just the economic realm (Kelsey 1999, p. 56). The wholesale deregulation and removal of ownership rules for the media was only one aspect of this wider realignment of New Zealanders lives towards a competitive global landscape, led by the neo-liberals in the 1984 and 1987 Labour governments (Kelsey 1999).

The deregulation of New Zealand radio

The deregulation of New Zealand broadcasting is arguably the most thorough removal of state controls and protections from a modern national broadcasting system (Shanahan and Duignan, 2005, p. 17). The 1989 Broadcasting Act and Radio Communications Act (along with subsequent tweaks that tidied up small issues such as methods for auctioning spectrum) removed not only government controls on radio content, but also almost all government ownership, beyond two networks run by Radio New Zealand that produce current affairs and classical music programming. The free market reforms of the period left future governments with little room to move in influencing New Zealand’s national media systems and in particular, radio broadcasting, which is around 85 per cent owned by international companies. With the exception of Radio New Zealand, the small indigenous Māori networks and networks for the minority Pacific Island community as well as a few scattered local broadcasters, New Zealand radio broadcasting is overwhelmingly networked, centralized and foreign-owned, with around 85 per cent of people listening to commercial radio and 90 per cent of radio revenue flowing to just two companies (Rosenberg, 2008, JMAD, 2012). However, there is relatively little written about the effects of deregulation on New Zealand radio, perhaps reflecting the small size of the country and by extension the media academic community, but also the entrenched and persuasive nature of the changes.
Alan Cocker (1994) first evaluated the changing nature of commercial radio in New Zealand five years after deregulation commenced. Cocker concluded that while there were a larger number of radio signals available, there was in fact less variety of content and that certain types of communication were privileged as they generated better ratings and therefore higher revenue. Aligned to this was the ‘market censorship’ of commercial prerogatives where editorial decisions were increasingly deferential to the needs of advertisers, making them ‘mere vehicles for corporate speech and the ideology of the advertising industry’ (ibid., p. 56). Cocker pointed to the explosion in the number of radio stations available, but also the rapid shrinking of news and information content that paralleled this growth, along with a general ‘dumbing down’ of other radio content to meet commercial goals. Cocker also pointed to the aggregation of radio companies into larger corporations after the initial rapid growth in the number of players in the market and argued that commercial pressures, aggregation of ownership and new technologies such as automation would require some form of government intervention in order to provide true diversity of content.

Cocker tries to avoid ‘quality’ arguments about commercial radio, but does argue for ‘lighter’ radio to be counterbalanced by ‘heavier’ broadcasting to play a stronger national informational and cultural role (ibid., p. 58). Cocker carefully compares and critiques the actual market conglomeration, lack of content diversity and overwhelmingly commercial nature of most radio barely five years after deregulation to the original government arguments for the policy (ibid., pp. 54-7). Cocker notes that promises of an increase in variety, more local services and increases in New Zealand programming were not eventuating and would be unlikely to (ibid.). Cocker revisits some of these themes in 2006, arguing that corporate (and often foreign) ownership and control of the New Zealand media had become even more constricting on content diversity, depth and alternative perspectives and that audiences were not being served as citizens but treated as assets to be sold to advertisers (Cocker, 2006).

Morris W. Shanahan argued in 2000 that deregulation had benefited at least one audience group with increased choice and diversity. Shanahan studied youth radio listening in four New Zealand markets – two metropolitan and two provincial. Shanahan found that the number of stations had grown in three markets and the choice of formats increased in all four. Aligned to this was an increase in Time Spent Listening (TSL), but not in the total size of audiences for 10-17 year olds (Shanahan, 2000, p. 424-5). Shanahan also compared the growth in New Zealand youth listening to Australian audiences and found this significantly higher than for Australian youth, who had far less choice on the dial. Shanahan’s conclusions are mixed and measured. While 10 years of deregulation had seemed to benefit younger audiences who already listened to radio, it had not significantly raised the number of listeners overall, mirroring trends seen elsewhere in the Western world. The increased TSL had also benefitted the commercial radio industry by attracting more youth-orientated advertisers and therefore raising
revenues (ibid., p. 425). However, there was also an ‘order of impact’ evident, in that the larger markets were first to feel the positive effects of choice and variety of deregulation as they promised the most and quickest benefits for the industry. Shanahan also acknowledges that ten years was a short timeframe of comparison and that the market may not be able to provide increased choice and variety across the whole country (ibid.).

Shanahan was to revisit the deregulation of New Zealand radio in 2005 as co-editor and an author in a collection of essays for a definitive 2005 book on the effects of deregulation and laissez-faire economic theory on New Zealand radio broadcasting. The key findings of *The Great New Zealand Radio Experiment* were that a new rhythm of media consolidation, profit maximization and ownership had been established by the opening up of radio broadcasting to market forces. Despite the fact that more radio stations were broadcasting, variety had generally been restricted by commercial demands for tightly focused formats that delivered profitable audience niches. Technology such as computerization and networking combined with a lack of regulations around content or localness had help to create centralized programs that beamed the same songs, announcers and news from central ‘hubs’, circumscribing local content by focusing on national narratives and centralized playlists. Multinational corporations had moved into the New Zealand market with significant capital and created a seemingly unassailable duopoly of ownership and listenership in New Zealand by 2005, with a small and embattled public broadcaster with two channels alongside a few smaller players struggling at the fringes (Neill & Shanahan, 2005).

However, deregulation did open up opportunities for some. Bruce Johnstone argued that the freeing-up of the broadcasting market benefitted smaller towns and cities as it allowed entrepreneurs the space to develop new and valued services, in conjunction with bigger and better-resourced companies (Johnstone, 2005). Johnstone, who owned a local newspaper, radio stations and a television station in the small town of Gisborne and later gained a PhD in Entrepreneurship, celebrated the new thinking and opportunities that market reforms encouraged and argues that broadcast market reforms were necessary and desirable as it increased audience choice as well helping to develop new businesses while also reflecting the economic realities of a globalized world (ibid.).

Also from this volume, Shanahan and Duignan’s 2005 examination of the impact of deregulation on the evolution of commercial radio in New Zealand is still the most thorough source available today, as it covers in significant detail the period from 1989 to 2005 and interrogates the business and economic aspects of the outcomes of radio deregulation. This article also examines the outcomes of shifts in content, formats and audiences that the explosive growth in signals followed by conglomeration and rationalization of companies into the current duopoly system. Shanahan and Duignan critique some of
the early commercial industry promises of deregulation – diversity of formats, choice, innovation and efficiency – and find these promises only partly fulfilled. They argue that radio after 15 years of deregulation had become risk adverse, formulaic, too business-like and unresponsive to shifting audiences. They also decried the loss of localness that unbridled networking and centralization had created and the ‘consolidated, conservative, reactive commercial radio environment that is only proactive in maintaining uniformity’ (p. 42). Shanahan and Duignan also make some interesting comparisons with other countries and their experiences with the loosening of regulations around ownership and content, pointing to the steady homogenization of radio formats in the United States as ownership groups consolidated over the same period that mirrored the New Zealand experience, but also the success of deregulation in Papua New Guinea, where relaxing government controls allowed new formats to be established that resonated with diverse and underserved audiences (p. 36-7).

Zita Joyce (2006) proposes that deregulation and foreign ownership has converted the radio ‘spectrumscape’, like a sovereign landscape but of the physical radio spectrum, into a ‘financescape’, a place of no national, cultural, political or social worth, only of rational economic value and therefore not to be celebrated, developed and protected beyond generating economic benefits. The fact that the Ministry of Economic Development is in charge of broadcasting spectrum in New Zealand reflects this reorientation of broadcasting away from earlier ‘Rethian’ public service broadcasting principles in New Zealand (Cocker 1994). Joyce points to the lack of diversity and the culling of local and contrary voices that converting spectrum from a cultural and social asset to a market commodity had caused (Joyce, 2006).

Andrew Dubber picks up the story to some extent in 2007 while exploring the effects of deregulation on the promotion and broadcast of New Zealand music since deregulation. Pointing to the significant privatization, competition and conglomeration of companies into a stable and dominant internationally owned duopoly, Dubber argues that deregulation leads inevitably to significant reduction of ‘media interests and therefore diversity and dissenting voices’ (Dubber 2007, p. 25). Here also, Dubber begins to tackle some of the unforeseen effects of deregulation – the scarcity of local content (in this case – music) and the lobbying power of big broadcasting businesses. Dubber points to discussions and election policy promises from both main political parties that they would both create a publicly funded ‘Youth Radio Network’ (YRN), supposedly to counter some of the perceived lack of diversity and voices in commercial radio for young people in New Zealand. The YRN story is discussed in detail later in my thesis, but in short it was dropped and a ‘voluntary quota’ of 20 per cent New Zealand music on commercial radio was agreed instead after commercial broadcasters used their considerable leverage to scuttle the YRN process (ibid., p. 29).
Dubber also discusses the establishment, strategies and implications of New Zealand on Air\(^\text{13}\), a semi-autonomous funding agency for commissioning New Zealand-made content to be broadcast by the highly deregulated New Zealand broadcast media. Dubber’s interest is in the government funding of New Zealand music as it must necessarily ‘fit’ into the highly commercial, targeted and risk-adverse environment of New Zealand’s mainstream radio stations in order to get airplay. For Dubber, deregulation, commercialization and government attempts to influence broadcasters without any policy levers apart from funding means that content will be produced that fits the market, not promote diversity or open up broadcasters to new voices and risk-taking (ibid., 25-33). Herein lies one the dilemmas of deregulation – the narrowing of options to deal with ‘market failure’. Short of re-regulating the market, governments have very few ways to influence businesses beyond funding the creation of products that might be desirable beyond the market value they might achieve.

Dubber sounds a warning here too in that he claims ‘as the most deregulated market on the planet, New Zealand provides a reference for other broadcasting political economies that seem to have irrevocable tendencies in the same direction’ (ibid., p. 33). Implicit in this is the inherent stability of deregulated markets – as in New Zealand, once the neo-liberal reforms have begun, it is almost impossible to successfully roll them back, as the market and ecology has formed a new set of rules and norms, and governments, businesses and other players become entrenched in the newer, stable patterns. Any government trying to upset the new status quo risks a significant backlash from powerful and influential media empires that could conceivably swing the electorate away from the political groupings whose policies don’t align with their interests.

Bill Rosenberg collated possibly the most thorough source on New Zealand media ownership during his tenure as Director for the Campaign Against Foreign Control of Aotearoa (CAFCA). The regularly updated document *News Media Ownership in New Zealand* compiles years of research into one source that tracks the various mergers, buyouts, sales and convergences of New Zealand media businesses and is an essential resource for tracking the intricacies of policy change, ownership and mergers in a deregulated market over time (Rosenberg, 2008). Rosenberg went on to a new role as Director of The New Zealand Council of Trade Unions in 2009 and handed the ongoing project to a new group of researchers at the Centre for Journalism, Media and Democracy, based at Auckland University of Technology, who produce a yearly report (JMAD, 2012). These studies show that since the full

\(^{13}\text{New Zealand on Air (NZOA) is a subsidiary body of the Ministry for Culture and Heritage, funded through general taxation, and is tasked with funding New Zealand-made content across television, radio, the music industry and online platforms that promote, archive and develop content that fits with its overarching mission to ‘champion local content that engages, stimulates, and satisfies intended audiences’. NZOA also has specific strategies for improving the monetisation of music made in New Zealand both locally and internationally. NZOA funds the making of singles, albums, music videos, local and international industry events, radio shows about music and Kiwi FM as part of its music strategy.}\)

deregulation of New Zealand broadcasting in 1990, companies from the United Kingdom, The United States, Ireland, Canada and Australia have all owned large chunks of New Zealand radio spectrum, shutting out local players by outbidding them at spectrum auctions and by creating economies of scale by buying up smaller companies and networking regional radio stations from central hubs in Auckland. Aligned to this is a process of stripping out labour and other costs from their businesses, making it even harder for small local operations to compete with their more expensive cost structures. As the available spectrum for broadcasting is limited, these companies have been able to almost completely dominate commercial radio revenues in New Zealand for the benefit of foreign shareholders and equity partners (Rosenberg 2008, JMAD 2012). They have also been very successful in preventing any re-regulation or other policies that curtail their market freedoms and revenue streams, such as formalized legal music quotas or content requirements (ibid.).

As Richard A. Gershon has argued, this type of media system should be of concern not just to specialist critics and academics, but to the nation as whole, as the goals of transnational media companies (less regulation and more profitability) clash with the goals of the nation state (political and economic sovereignty) (Gershon, 1991, p.18). Gershon also argues that transnational media companies are of particular concern and ‘raise the spectre of policy issues considerably given the unique power of the media to influence national politics, economic priorities, and social opinion’ (ibid.). Added to this is Dubber’s contention that what makes culture ‘indigenous’ is entirely contested (Dubber, 2007, pp. 31-3.) If a nation’s media system is indeed a form of cultural artefact, repository, developer, promoter and creator of national norms in of itself it is also then faced with a real challenge from deregulation, in that if market liberalization is truly neutral, free and driven by what the consumer wants, notions of creating, promoting and protecting national culture or cultures have no place in decisions about content, resource allocation or policy making, unless there is a specific market ‘need’ for it. It could then be argued that a deregulated market in a globalized world would value anything that any other market anywhere else in the world would, and not particularly ‘need’ it to be reflective of national or local cultures. This thesis seeks to explore these issues in depth, using the example of Kiwi FM as a way of interrogating the evolution of radio in a highly commercial and corporatized environment, and by extension, notions and demonstrations of national cultures in deregulated broadcasting.
Part Two: Music radio in New Zealand

One of the most obvious outcomes of the deregulation of New Zealand radio is the predominance of music formats on the radio dial. With the exception of Radio New Zealand's commercial free classical music station and a few very low powered (one watt) hobbyist broadcasters, around 90 per cent of all signals carry music intensive programming targeted at specific consumer audiences. There are music formats aimed at everybody from 10-70 as they are the group surveyed every year by the commercial radio industry in order to establish station ratings in different markets and therefore set accurate and reasonable advertising rates. This section will traverse recent key theories of music radio and examine literature that attempts to contextualize music radio as a form, a production process and as a cultural practice. It will also explore recent attempts to situate music radio in New Zealand in terms of its evolution, goals and performance since deregulation.

Martin Shingler and Cindy Wieringa (1998) offer a simple, clear and functional description of music radio and its place in the wider media environment. They argue that music radio dominates other forms such as talkback and news radio both because of the centrality of music in our lives and its cheapness to produce (Shingler & Wieringa, 1998, pp. 62-3). Claiming that ‘all music is tribal music’, Shingler & Wieringa argue that music on the radio can attract large audiences of similar people who share the same musical tastes, offering listeners ‘a sense of being part of a larger community’ and help in ‘defining one’s identity’ while at the same time allowing station managers the ‘opportunity to determine their particular listening community’ (ibid.). They also introduce an interesting symbiosis between radio and music in that radio

Closes our eyes for us, focusing our attention on the product rather than the process of musical performance. Radio renders music more important than the performers and, consequently, enhances its elemental power (ibid. p. 61).

This ‘elemental power’ is part of the strength and ongoing popularity of music radio in that we are attracted to it by the emotive, meaning-making associations we have with music, especially when we are not distracted by the visual aspects of live or filmed performance which, they argue, can be seen as ‘robbing it of its power and purity’ (ibid., pp. 61-3).

Shingler & Wieringa also introduce notions of management control over radio music, in terms of station managers creating a ‘music policy’ that determines ‘playlists’ of certain types and ranges of songs, incidental music such as jingles and station identifications and other recorded elements, depending on the goals of the managers (ibid., p. 62). They also discuss the economic imperatives of commercial radio in creating specific radio styles to attract large enough audiences in specific demographic groups in order
to maximize sales of airtime for advertisements so as to ensure profitability. This tendency to adopt a narrow music position (such as ‘adult-orientated rock’ only songs) is a defining norm of commercial music radio (ibid.).

Jody Berland has produced a detailed and wide-ranging critique of commercial music radio, particularly in North America, over the past three decades. Berland argues for a more complex and nuanced understanding of music radio than is apparent in the actual radio industry, but also among critics and academics (Berland, 1993). This approach critiques the so-called ‘secondary’ nature of radio, one that requires less attention than television, but is in fact a construction of programming practices that favour long periods of music and relatively little talk (Berland, 1993, pp. 193-6). Key to this critique is the relationship between the record industry and radio as a ‘carrier of recorded music’ and ‘equally a product of the radio apparatus as a social, institutional and economic entity that depends on the music industry for its own reproduction’ (ibid., p. 194). In this way, Berland claims that radio has become a ‘dependent medium’, embattled by visual mediums and by the music industry that provides most of its content (ibid., p. 195). Berland also interrogates the effects of privatization, commercialism and centralization as key factors in the construction of most of radio as music radio. Citing the transformation of Canadian radio broadcasting as it opened up spectrum to private companies and relaxed rules about localism and content, Berland paints a rather dystopian picture of radio re-engineered as a national rather than local medium, relying on centralized content-producing hubs creating bland content to be pushed out nationwide through ‘networks’ of radio stations. These stations feature highly researched and targeted music playlists aimed only at commercially viable audience niches and demonstrate a lack of genuine local engagement with audiences in terms of speech, news, weather and other elements that were traditionally featured on locally produced radio stations (ibid., pp. 195-204).

Berland sees an ‘industrial’ radio system, governed by ‘increasingly centralized hierarchical technical processes’ and driven by the release and distribution schedules of the international music industry (ibid., pp. 201-205). This radio also creates new forms of time and space, as the broadcast day is sliced into segments, cut into shows and created around the regiment of a ‘format’ of moments stitched together in specific ways and repeated; an ‘overt disciplining of the hours of the day’ that is in fact a broader narrative featuring textual elements of music, speech, advertisements, news and other audio pieces that make up the whole of the station’s output, but also the experience of the audience in listening, imagined as sharing the same experience of place and time as the unfurling narrative of the broadcast (ibid., pp. 195-203). This music radio is infused with the temporal speech codes of the instantaneous, the contemporary and the present, while also collapsing space through networks over vast distances, as the broadcast is designed as a national rather than local experience that includes the narratives and symbolic interactions of the audience’s local space (ibid.). The demands of programming the elements are
increasingly industrialized too – computers and networking technologies replacing people as constructers of playlists, creators of sounds, DJs and journalists (ibid., pp. 200-2). For Berland, while radio has ‘unique capacities to map our symbolic and social environment’, it helps to ‘valorize and reproduce’ industrial modes of culture production, driven by technological change and the impetus of the global music industry, with its economic priorities and monopolized recording and distribution systems (ibid. p. 205). This shift in power relations from local space and time to places and times abstracted by distance and industrial time therefore threaten radio’s ability to ‘mediate’ between local listeners and music as well as the important narratives of their particular local and temporal experiences. In this sense too, radio’s role as part of local cultures is usurped by its role as part of the industrial music business (ibid.).

David Hendy gives a succinct, if ‘mechanical’ definition of the structural design of music radio by stating that the ‘production of a certain audience involves producing to a format’ (original emphasis) (Hendy, 2000, p. 95). Additionally, Hendy identifies the creation of templates for programs, the tone, running order and ‘stylistic boundaries’ (i.e. talk or music) as defining the format (ibid.). As well as these requirements, radio stations rely on ‘regularized patterns’ of scheduling that create the day-to-day and weekly sound of the format (ibid.). This controlled and predictable production process allows for reliable and targeted stations that can be aimed directly at sections of the audience in order to maximize listenership in particular groups (ibid.). Hendy points to the ‘superficial’ level of apparently live, ‘chaotic, rushed or spontaneous’ radio as only a carefully conceived outward manifestation of a deliberately constructed set of rules and norms that a format ensures in order to produce certain audiences for certain stations (ibid., p. 94). In this way, a format can be seen as a ‘product’ in the sense that it promises to deliver a certain type of radio, reliably and consistently (ibid., p.95).

Hendy constructs music radio as an extension of our use of music as a way of ‘defining one’s identity, and from that, establishing communities of shared interests and even values’ (ibid., p. 169). Music radio establishes its style and attracts its audience through selection of a genre of music to play, but also through the style of DJ chatter and the other ‘incidental’ audio elements such as music beds and jingles that are part of the holistic ‘feel’ of the station. Hendy argues for a broad understanding of music radio as an active, highly constructed and performed type of radio that is the combination of all the elements of scheduling of music in specific ways, DJ talk, incidental elements and the careful placement of nearly every sound across the day (ibid., pp. 169-177). This performed construction is often carefully managed using specialized software to eliminate the risks of deviance from the carefully constructed format, but also to manage the overall station ‘sound’ through different parts of the day, reflecting the moods and demands of listener’s lives, as they wake, prepare for the day, work, play and retire. This careful management of music radio allows for individual songs to be selected by mood and emotion, tempo
and in relation to songs played around them. Combined with the human input of DJs in different ‘dayparts’, or sections of the day (ibid., p. 173) and the other audio elements of the total station output, music radio attempts to reflect not just the musical tastes but the lifestyles and daily rhythms of the target audience (ibid., pp. 169-176).

Essential to the ‘standardization and predictability’ of a format is a system of ‘gatekeeping’ – a central authority that decides on the format, designs the structure and rules of the format and prevents aberrations from the systematic execution of the format (ibid. pp. 98-103). J. Mark Percival has grappled with this issue in interviews with music radio managers in the United Kingdom. Arguing that decisions on what music was selected for play on particular stations was predicated on ‘a complex interaction of professional ideology, market research, and subjective judgments on the value of music as both art and commerce’, Percival accounts for bias towards certain selections as part of the manager’s (gatekeeper’s) sense of the desired and current audience, targeted and delivered by the goals of the underlying format (Percival, 2012, pp. 115-120). While there were some regional differences in emphasis on particular elements of decision-making (gatekeeping), there was commonality in the use of market research, a thorough understanding of format goals, the status of an artist and the desire to either reach ratings targets by conforming to the ‘sound’ of the format, and in the case of public broadcasters ‘an additional layer of complexity’ in considering their audience as a ‘public’, rather than a market, while still fulfilling the particular remit of the station as aimed at a particular demographic slice of that public (ibid., pp.128-132).

Also complicating this process is the regular promotional presence of the commercial music industry – in the form of ‘pluggers’ who represent record companies and are tasked with having radio managers pick up their artists for airplay, over their rival’s artists. This pressure is largely discounted by programmers but is highly constructed and carefully managed by pluggers, who have a vested interest in getting artists on-air and also in maintaining songs on-air as they sell at the retail level for longer periods (ibid., pp. 127-130). Interestingly, Percival also examines the professional practice of radio managers and finds that decisions are often framed in terms of ‘gut feeling’ and ‘instinct’, conceived of by the respondents as an innate talent that defines the skill level of the manager as an arbiter of what is ‘good’ and ‘bad’ music (ibid., pp. 125-132). Here is the utility and power of the format – it creates a normative bedrock of defined boundaries and prescribed values that are relatively easy to understand and work to, even at an almost subconscious level, in order to guarantee reliability and standardization and therefore attract and please the intended audience.

Percival also questions the ‘nature of the economic, social, and cultural relations between the radio industry and the record industry’ which is ‘often characterized by both academics and practitioners as
symbiotic’ (original emphasis) with both industries benefitting equally from the relationship (Percival, 2011, p. 455). While on the surface this may seem credible – with radio receiving free content to place advertisements and other elements around, and record companies receiving free promotion of their products as well as music licensing fees – Percival argues that, at least in the United Kingdom, radio is the ‘dominant player’ in the equation in that it uses practices such as intense testing and researching of music selections and radio audiences, which in turn drives radio stations to conservative strategies to minimize audience losses due to unfamiliar or overly-diverse music playlists that don’t research well with the intended audience (ibid., pp. 457-63). Percival also points to the ability of radio stations to force changes in the sound, or ‘texture’ of individual songs in order to have them ‘fit’ the target audience profile. Remixing, shortening and other manipulations of the original recording went ‘as far back up the chain as the artist themselves’ and showed the uneven power relations of the radio and the record industries (ibid. pp. 467-9). Further to this was the influence of radio on what artists were signed or promoted, songs released and the amount of new music made available to radio (ibid. pp. 458-67). This contradicts Berland’s claims about the powerful influence of record companies over radio somewhat in that Percival argues that music radio ‘occupies a cultural space which is neither entirely distinct from the record industry nor a part (original emphasis) of the record industry, existing instead ‘simultaneously as a mediator, as a cultural product, and as a cultural producer’ that has a critical influence on popular music culture (ibid. pp. 470-1).

Percival’s arguments connect with notions of practice and professional knowledge in industries concerned with cultural production and creativity. Keith Negus’ study of the music industry is informative in that it explores the creation of cultural goods in terms of the people commissioning, producing and marketing them. Working from concepts developed by Pierre Bourdieu (1984), Negus conceptualizes record company workers as ‘cultural intermediaries’ – those who select, capture, manipulate, promote and distribute cultural artefacts and meanings (Negus, 1991, p. 28). These culture brokers are creating their own set of practices – aligned to capitalist principles of market freedoms, efficiency and commercialism – but sometimes blurring the lines with those creating the content as they move from being artists to taste makers themselves, relying on ‘intuition’ and ‘gut feel’ to select, produce and sell cultural products (ibid. pp. 32-4). Other workers enter the industry with professional qualifications or are retrained from other occupations, bringing more instrumental and structured approaches to the production of culture (ibid. pp. 36-37). This new category of culture professional ‘seek to understand the world of musical production and consumption by constructing knowledge about it … and then deploying that knowledge as a “reality” the guides the activity of corporate personnel’ (Negus, 1998, p. 361).

This is a strategy used to create order, personal legitimacy and status when reconciling the strictures
of capitalist profit-maximization with the more chaotic nature of creative endeavour and the marketplace for cultural goods. What results is an industry – that while seemingly driven by creative expression and championing artistic endeavour – is in fact ‘reduced to the economic logic of capitalism’; not as ‘mystical’ and ‘determined’ as has been suggested, but staffed by workers who dispositions and social backgrounds add complexity to the uncertainty of the fickle and risky nature of creating popular culture artefacts in a competitive environment (Negus, 1991, p. 36-40). Percival has identified a similar phenomenon in music radio – the professional radio programmer with specialized knowledge of, and a ‘gut feel’ for music, which is actually an effect of the need for order, professional legitimacy and status in another fickle and highly competitive branch of the popular culture industries (Percival, 2011).

Music radio formats can also be seen as spaces of contestation about regulation, audiences and commerce. Tim Wall has explored the nature of music formats as ways of organizing radio stations in ways that are both targeted at specific audiences and also designed to sound natural, organic and unconstructed. This opaqueness of practice can be used to disguise the intentions of radio station designers and gatekeepers. Wall conducted a study of one British station that uncovered practices of programming that sought to circumvent licence regulations using the ethereal nature of broadcast radio that is actually a construction of carefully managed playlists, scheduling and mixing of music across the day and week (Wall, 2006). The particular station’s management was attempting to attract a more lucrative commercial audience than it was licenced for, despite resistance from other workers at the station and audiences in the broadcast area. Ultimately, the station’s music programming and scheduling became ‘an attempt to resolve the tensions between competing commercial and cultural aims set for the station’ (ibid., p. 88). Wall was able to trace the various strands of discourse running through the day-to-day operations of the radio station, noting the contrary, self-justifying and in some cases exasperated positions of staff pulling in different directions between those keen to fulfil the station’s declared mission and those wanting to maximise profits (ibid., pp. 89-92). Although ultimately the station failed to fulfil either mission, the study illuminates the difficulty of regulating commercial music radio for particular social goals as owners will tend towards creating the most commercial format possible while avoiding the censure of regulators (ibid., p. 78).

Wall also teases out the discontinuities between the audience as a complex landscape of musical tastes but with a set of musical understandings, histories and connections and the desire by radio programmers to simplify a format and achieve the ‘centre ground’ where supposedly everyone in the intended audience is at least somewhat happy enough with the station and its playlists to keep listening (and by extension, hopefully buying advertiser’s products) (ibid.). This highlights a key problem in regulating music radio, in that statute-driven regulatory bodies must necessarily provide rules, conditions, incentives and punishments for the design of the highly mercurial proposition of an
appropriate music service for a locality and a specific audience as a particular cultural milieu (Wall, 2000, pp. 186-193). The dilemma for the regulator is how to judge that the programming is ‘right’, both in awarding licences before hearing the programming on-air as a holistic package, and in taking account of the changing nature of music and the changing audience profile over the period of the licence to broadcast, while helping the licensee to generate enough income to provide a high level of service (and ‘enough’ profit) as a commercial broadcaster (ibid.). It seems that ultimately regulators need to invent and control a language of regulation that can account for these dilemmas, as the discursive space of cultural regulation can be endlessly negotiable and open to manipulation. Wall points to potential licensees deliberately loading their applications for licences with feel-good and enticing public service-type programming proposals (what one interviewee called a ‘beauty parade’14 in order to get on air, then not delivering on those proposals (ibid., pp. 188-192). Wall also points to a shift in language of regulators trying to capture the culture of regulated commercial radio. Wall noted that the discourse became imbued with commercial radio concepts that misplaced wider community or public service-type language that had originally informed the granting of licences (ibid., p. 192).

Peter Mills acknowledges the complexity of debates around popular music radio when claiming that ‘to discuss radio services is to stumble immediately into the art versus commerce debate’ while discussing popular music on public service radio (Mills, 2012, p. 83). Mills, by interviewing public service radio producers working in the British Broadcasting Corporation (BBC), builds a picture of a clash of cultures and priorities in music programming, even when producing shows that are supposedly ‘connoisseurial’ and designed for small, specialist audiences (ibid., p. 108). Mills argues that radio – including public service radio – ‘tends to drift toward being genre-specific in its musical vocabulary’, largely because of the mobility of the technology and the fickle nature of the audience, who can leave or change channels at a moment’s notice (ibid., p. 83). Even in the spaces set aside for highly specialized music shows in public service broadcasting, the wider influences of ‘heavily guided playlists, record company release schedules and unwritten agreements between wings of the industry’ are often driving the music decisions made (ibid., p. 90). It is therefore notable when deviance happens at the fringes, in specialist shows and in playlist selections that seem outside if the genre norms of the radio station (ibid., pp. 90-108). Mills claims that this demonstrates the ‘spirit of the Rethian remit of education, information and entertainment’ – referring to the programming philosophy of the first BBC Director-General, Lord Rieth, who conceived of a high-minded public service broadcasting system during the 1920s. Further,

14 This phrase is attributed to Tony Stoller, the highly influential Chief Executive of the United Kingdom’s Radio Authority between 1995 and 2003. Since retiring from the civil service, Stoller has provided fascinating insights into his time as a bureaucrat and regulator and also his broader experiences in the development of the UK radio environment in print. These offer detailed, nuanced and insightful insider accounts of the vagaries of managing the development of broadcasting systems at managerial and governmental levels. Good examples of Stoller’s work include Sounds of Your Life: A History of Independent Radio in the UK (2010) and Foresight, fudge or facilitation? The making of UK digital radio policy 1987-2008’, in Mollgaard, M. (ed.), (2012). Radio and Society, New Thinking for an Old Medium.
this reflects the ‘soul of broadcasting itself’ in that it is ‘democratic and open’ and ‘worth protecting’, rather than ‘surrender the purpose of music radio altogether to commercial concerns’ (ibid., p. 108). Mills makes an argument for the importance and power of radio to spread music beyond localities and also expand the musical repertoire of the audience, reflecting the ongoing influence of Reith through decades of developments in radio broadcasting in the United Kingdom.

Hugh Chignall summarizes these concerns, saying that while music radio offers audiences, and especially younger listeners, the lived cultural experiences of music that relates to their lives and a soundtrack to the ongoing development of a self-identity,

> It would be very optimistic and to fail to acknowledge the crushing uniformity of much music radio, driven into the banal repetition of the same commercial product by the highly competitive nature of the radio industry … dominated by a certain form of formatted, uniform, centralized radio which has largely eliminated the nuances of the local and the community. (Chignell, 2009, p. 36)

Chignell’s vision of music radio resonates with those of Berland, Percival and Mills to varying degrees, and also points to a more universal set of norms in music radio, which are reflected in the New Zealand radio market. The tight control of formats and playlists, the centralization and delocalization of radio content, the reliance on intensive market research to make music decisions and the centrality of niched target audiences to radio manager’s decisions making processes and outputs are also features of music radio in New Zealand.

**Contextualising music radio in New Zealand**

In New Zealand, recent scholarship around music radio is necessarily informed by the deregulation of the radio environment. While there is relatively little available that explores New Zealand radio as a place of music, there are some common themes that emerge from what work has been done and from ancillary sources that traverse the wider musical landscape in New Zealand. One significant pre-deregulation work does give insights into the unique development of music radio in New Zealand, from the perspective of the most determined and arguably, successful ‘pirate radio’ operation ever.

Adrian Blackburn’s (1974, 1989) enthusiastic account of the New Zealand 1960s offshore pirate station Radio Hauraki offers a detailed, often gripping and notably sentimental tale of the establishment, day-to-day dramas, tenacity and the eventual success of the only pirate station to successfully win a licence to broadcast legally during the pirate radio heyday of the 1960s.

Blackburn’s *The Shoestring Pirates* is a celebration of rebellion writ large, but also gives clues to how future governments and radio operators would manage radio broadcasting and in particular, new music
services in New Zealand. The Radio Hauraki story has assumed mythical status in New Zealand broadcasting and among the general public, more than 40 years on. At the time, the founders of the station, calling themselves 'The Good Guys' developed considerable public support for the venture by harnessing and mediating young people’s antipathy towards the government radio monopoly, which had become complacent about youth audiences because of a lack of any real competition. The commercial radio station, taking its cue from Britain’s famous offshore pirate radio station of the same period, Radio Caroline, broadcast contemporary popular international and local music from outside of New Zealand’s territorial waters, from a dilapidated boats in a dangerous area of sea that caused two groundings of the boats and numerous technical and mechanical problems during the 1111 days that Radio Hauraki was at sea.

Radio Hauraki resonated with the rebellious zeitgeist of the wider youth experiences of the mid-1960s by playing music that was young, exciting and popular throughout the Western world, but not readily available on New Zealand’s government-owned stations. Radio Hauraki attracted a significant audience of young people eager for the latest international sounds and trends (ibid., pp. 100-6). Artists like The Beatles, The Small Faces, Jimi Hendrix and The Turtles who were not played on the staid and conservative public broadcasting monopoly of the time, finally had an outlet on New Zealand radio. The founders also crafted and perpetuated a story of a desperate struggle between a callous and uncaring government and a small band of free-thinking rebels who were trying to create a radio station to play music for the new generation. ‘The Good Guys’ had a readymade and easily recognisable nemesis in the government, making it easy to tap into the rebellious youth spirit of the late 1960s in order to build support for their private commercial radio station (ibid., pp. 58-76).

The discourse that developed during the Radio Hauraki pirate broadcasting saga significantly informed the deregulation of radio broadcasting in 1990 and continues to be influential on New Zealand broadcasting today, arguably even on decisions made around the subject of this study, Kiwi FM, as it is still a unique and often celebrated fable of privateers winning against government tendencies to stifle ‘progressive’ cultural change and new musical developments. This discourse is certainly evident in The Shoestring Pirates as it takes an uncritical view of the pirates while highlighting inadequacies in governance and policy making around broadcasting in New Zealand in the 1960s that were perhaps understandable as part of the evolution of social mores and norms during the period. The Radio Hauraki story has been

instrumental in constructing the seemingly polar opposites of public and private broadcasting in New Zealand, which has severely constricted discussion about the role of government and the market in radio broadcasting. For Blackburn, the Radio Hauraki saga ‘remains one of the great David and Goliath stories’ about defeating a ‘stifling, uncreative State broadcasting monopoly’ (ibid., p. 7). The lack of a certain critical distance from the topic could be because, in Blackburn’s words, ‘it was a privilege not only to cover the events of Radio Hauraki’s pirate years as a journalist, but to be personally involved as a friend of some of the key figures’ (ibid.). The mythologized and rather one-sided Radio Hauraki story presented in *The Shoestring Pirates* is a powerful fable of freedom from government restriction and harassment that speaks to an idealised archetype of New Zealand nationhood; a country that is young, free, classless and progressive.  

Despite some failings from an academic perspective, *The Shoestring Pirates* does offer some unique, early insights into how commercial music radio would develop in New Zealand. The rebellious nature of the Radio Hauraki DJs, not just as illegal broadcasters but as having ‘cooler’ broadcasting styles and playing new and exciting music for young people is still recognizable today in music radio for young people (ibid., pp. 101-6). The deliberate changing of programming and moods across specific ‘dayparts’ that set the station apart from the more staid competition is reflective of Hendy’s conception of music radio as a construction that goes beyond the simple playing of a type of music.  

According to Karen Neill and Morris Shanahan, Radio Hauraki was responsible for introducing the ‘American commercial model with a strong emphasis on hit music’ to New Zealand (Neill & Shanahan, 2004, p. 107). They chart the development of New Zealand music radio through the period before deregulation and the effects of the market-driven model for both audiences and broadcasters. Arguing that while more music stations became available after deregulation, diversity of formats was lacking as broadcasters were chasing the same consumer audiences, Neil and Shanahan describe a ‘relatively homogenous style of radio’ in New Zealand (ibid., p. 110-1). This means that most radio signals feature a ‘strong music base throughout the day and night, with strong, high-profile personalities’ (ibid., p. 111).  

Part of their study reflects on the debate about the introduction of a commercial-free and tax-payer funded Youth Radio Network (YRN) to complement the two existing public radio channels, a classical  

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16 The 1989 reprint of *The Shoestring Pirates* includes two short postscripts to the original text, that reflect on Radio Hauraki’s journey in the 14 years since the 1974 edition. The first briefly outlines a corporate buyout of the station after years of overspending and falling income. The original ‘pirates’ were eventually removed by the new owners while the station became more profit orientated and the format was re-targeted to a more lucrative audience, foreshadowing the outcome of wholesale deregulation a year later. The second postscript is a brief interview with four original ‘pirates’, and covers the various highlights, regrets, tribulations and thoughts since being leaving the station. All four are treated with significant deference by Blackburn as they reflect fondly on the experience and particularly their victory over the government.
and experimental music station and a news and current affairs station, both aimed at audiences over 35. The YRN was promised by both major political parties on the left and right of the political spectrum, but was never delivered on due to factors discussed later in this study. One insight Neill and Shanahan produce from the YRN episode is the preference of youth for a ‘more music-based, highly-niched format style as opposed to the more diverse programming’ that was used on the Australian exemplar of the YRN - Triple J. They argue that the highly successful launch of a tightly-formatted commercial competitor, which garnered four times as many listeners (most of them taken from Triple J), demonstrates the power of commercial music radio format practices such as small but highly researched playlists of only the most popular songs for the target audience, careful construction of the music through scheduling and monitoring of the music mix, high-profile DJs as well as snappy, smooth and seamless transitions between elements such as songs, DJ banter, news and commercials (ibid., pp. 116-8).

Shanahan further develops the discussion of music radio in New Zealand in a 2005 piece with Gerard Duignan. They refer to the reduction in the number of gatekeepers that consolidation and national networking has created and the effect this had on local music scenes (Duignan & Shanahan, 2005, pp. 29-31). This is because centralized programming systems tend towards universal and mainstream music, forcing local musicians to replicate those styles in order to be considered for airplay by programmers seeking to reduce ‘risky’ music choices in a playlist aimed at an entire country, rather than a geographically distinct local area. They present this process as a type of ‘normalization’ of content that reduces diversity, localness and the actual number of songs that music radio plays in New Zealand. As all commercial music radio eventually became managed and programmed out of one New Zealand city, diversity and localness of music as well as other elements such as local news and discussion of local topics were severely reduced (ibid., pp. 28-41). Instead, commercial music radio focused on small, highly researched playlists dominated by foreign musical superstars that are aimed at very specific consumer groups, such as baby boomers or teenage hip hop fans (ibid., pp. 39-9).

Despite a few attempts to break out of this conformity at the fringes of the commercial radio system, Duignan and Shanahan make a strong argument for their contention that the New Zealand commercial radio features an over-arching tendency towards sustaining a highly regimented format conformity across all music stations in New Zealand, claiming that ‘the normalization process is complete’ (ibid., p. 40). Ultimately, Duignan and Shanahan contend that the creation and maintenance of a status quo, the lack of innovation and the loss of localism have shown that ‘the arguments for the free market have been found wanting’ (ibid., p. 42). They describe a risk-averse, centralized, highly structured and homogenous music radio system in New Zealand that does not serve audiences or the radio industry, as was intended by deregulation’s supporters, going as far as to claim that the survival of radio as a
medium and a business in New Zealand was under threat in 2005, arguing it was ‘walking backward into the future’ (ibid.).

Also in 2005, Karen Neill explored New Zealand music radio and its relationship to the New Zealand music industry. Neill approaches this by interviewing influential decision makers in both camps, such as record company managers and radio company managers (Neill, 2005). The discussion focuses on an interesting period in the development of both commercial radio and a burgeoning New Zealand music scene, which was the target of a concerted effort by the government to develop, professionalize and sustain as a viable national and international economic asset. During the 1990s, central government began to consider enforcing a local music quota for all radio stations, based on similar requirements in Australia, Canada and Ireland. The radio industry, loathe to allow the introduction of any regulation as ‘the thin end of the wedge’ of re-regulation, eventually negotiated a ‘voluntary quota’ of 20 per cent New Zealand music, but only over a period of a decade – claiming the music industry had to raise its production standards during that time in order to produce music that sounded as well-crafted as international product. The New Zealand radio industry, initially reluctant and wary of being regulated by proxy, eventually embraced the quota and by 2002 all stations were monitoring and reporting their New Zealand music outputs to the New Zealand music industry charts organisation. In 2003, just under 18 per cent of all music on New Zealand commercial radio was made in New Zealand, up from single digits prior to 1999 (ibid., p. 153).

One informant in Neill’s research, Michael Glading of Sony Music New Zealand, points to two shifts in the relationship between the music and radio industries that led to such a dramatic and sustained increase in the amount of New Zealand music on the radio. The first was fixing the lack of ‘good’ production which meant the music being made locally was not as aurally accomplished as foreign product, even if the actual song had significant commercial potential. Glading agreed that radio was right to demand slick sounding songs that were as well recorded and packaged as anything from overseas (ibid., p. 158). Also, Glading points to outright hostility towards commercial music radio from musicians, who were bitter about the lack of opportunities for airplay on the tightly formatted mainstream stations (ibid.). Once these obstacles were overcome with a mixture of government intervention (the contestable funding of quality recording and local music promotion by a central government agency, New Zealand on Air), a concerted effort to get programmers to play more New Zealand music by industry leaders who were motivated by avoiding regulation and the determination of record companies to re-orientate themselves and their artists towards radio in order to maintain a viable business based on both New Zealand and international repertoire, local music became a ‘selling point’ for music radio in New Zealand (ibid., p. 159). Neill claims this was also part of an ‘erosion of the cultural cringe’ that supposedly informed the New Zealand psyche (ibid., p. 168). Neill argues for a
change for the better in terms of the amount of New Zealand music played on music radio that is almost exactly mirrored in music sales percentages at retail level. This translates to more musicians making more money out of making music – and record companies willing to source and develop New Zealand artists that might one day reach the ‘holy grail’ of overseas success, or at least make a sustainable living from making music in New Zealand (ibid., pp. 158-167). This puts to one side Duignan and Shanahan’s argument that what New Zealand music has done in order to get ‘radio friendly’ can in fact be seen as part of the ‘homogenization’ of music radio in New Zealand. New Zealand music has had to become as ‘slick’ and commercially viable as any popular music ‘product’ from overseas (and mainly from the United States and the United Kingdom) in order to fit the programming constraints of commercial music radio in New Zealand, who have the large audiences that also buy popular music.

Brendan Reilly evaluates the influence of globalization and in particular the influence of the Anglo-American culture industries on New Zealand radio, claiming that globalization, cultural imperialism and ‘Americanization’ are not enough to explain the outputs of New Zealand commercial music radio (Reilly, 2011, pp.98-129). Reilly argues that New Zealand radio is the sum of local and international influences, technological progress, the ‘commercial imperative’, government intervention in supporting New Zealand music and the deregulated structure it operates in (ibid., pp. 120-159). This creates a ‘hybrid’ form of radio that is unique to New Zealand, but also risk-averse, lacking in innovation and overwhelmingly dominated by music from the United States and the United Kingdom (ibid., pp. 178-188). Additionally, Reilly claims that the overall effect of deregulation and the conglomeration of ownership that it allows in New Zealand has created a particular form of radio that is not serving the needs of local audiences.

Consolidation, by nature, is a centralising, homogenising agent that must achieve economic efficiency by swallowing up individual station cultures that in the past have served as local laboratories for new ideas and emerging talent (Reilly, 2011, p. 17).

Reilly also argues that by interrogating the hybrid nature of New Zealand radio – heavily Anglo-American influenced as well as by the government through funding music and programming and also through the input of radio workers practising in such a highly commercial environment – allows an unpacking of power relations between global forces, broadcasters, governments and audiences (ibid., pp. 297-301). In this sense, Reilly echoes and expands on Jeremy Tunstall’s 1977 critiques of cultural imperialist’s claims of national cultures being ‘battered out of existence’ by ‘low, brutal and commercial’ foreign media products, mainly from the United States (Tunstall, 1977, pp. 580-1). Tunstall argues that a broader and more nuanced view of the intersection of cultures and the formation of hybrid responses allows for a detailed examination of the influence of outside media products on national cultures and their cultural outputs (ibid., pp-85). Tunstall believes in a form of media imperialism that is an extension
of British imperialism, resonating through American and wider Western culture. Reilly sees the foreign influence on music radio as part of the wider hybrid nature of musical culture, where musical forms are captured, adapted and transformed by local participants in the global culture, which is in itself heavily influenced by Anglo-American culture (Reilly, 2011, pp. 297-305).

Reilly refers to a process of ‘delocalisation’ of both New Zealand music radio, and New Zealand music as it mimics popular international forms that dominate radio programming and also attract funding from New Zealand on Air (ibid., p. 300). Reilly also interrogates the roles of programme directors and national ‘talent trainers’ (who train on-air staff) in the big commercial radio companies, as they are the most critical day-to-day influencers of music radio outputs. These influencers are influenced themselves by the Anglo-American music business, the Anglo-American owners of their companies and by the Anglo-American radio industry that they have contact with through international conferences and relationships (ibid., pp. 293-296).

Reilly acknowledges that ‘the notion of hybridity provides an alternative, but ultimately it is an incomplete understanding of transcultural formation’ as it is ‘cultural imperialism with caveats’ (ibid., p. 299), instead describing the recent developments in music radio in New Zealand as a ‘complex mixture of the local and the global that could not be explained by simplistic notions of hybridity’ (ibid., p. 8). Reilly ultimately argues for New Zealand music radio as a place where new forms of music, unique to New Zealand can and should be nurtured, as part of a wider project to roll back homogenisation, ‘global impersonation’ and conservatism as part of claiming a unique ‘New Zealand-ness’ on the airwaves that supports a wider and more vibrant local culture. For Reilly, that might negate the most pernicious effects of imitation, homogenisation and commercialisation that the Anglo-American influence has on New Zealand’s musical culture (ibid., pp. 293-304).
Part Three: Popular music an national culture in New Zealand

It is highly unusual for a government to support a private company to create a radio station that exclusively plays and promotes national popular music. This unique situation needs examination in terms of the relationships between understandings of national culture and the roles of government, citizens, creators and businesses. Notions of what constitutes national culture and what deserves attention, funding, promoting and archiving are contested and fluid. In this study, music radio is the focus as the radio station, the government and the people studied here were all part of a supposed ‘renaissance’ in New Zealand music; one that saw debates about the national value of popular music culture become more visible. This chapter is concerned with scholarship about national culture and popular music, especially in New Zealand.

Defining ‘culture’ is problematic in that as it may seem easy to explain as ‘what we all do’, it is the underlying structures of history, economics, politics and meaning – making power that dictates how we form assumptions about what it means to participate in or even recognize ‘what we all do’. One key approach was formed by Raymond Williams, who suggested culture was an ‘exceptionally complex term’ and deserved careful examination and explication as its use could indicate power relationships and also lived human truths in a given society and/or nation (Williams, 1981, pp. 10-4). Williams observed a convergence during the twentieth century between two previously understood definitions of culture. The first was an ‘idealist’ type of ‘informing spirit’ as creating a ‘whole way of life, which is manifest over a whole range of social activities – a language, styles of art, kinds of intellectual work’ (ibid. p. 12-3). The second was a ‘materialist’ position of a ‘whole social order’ that was a ‘direct or indirect product of an order primarily constituted by other social activities’ – in other words constituted either deliberately or through reaction to other social constructions such as history, geography, politics and economics (ibid. p. 13-4). Williams also conceived of culture as the ‘ordinary’, arguing that two ‘senses’ of culture lived by human beings – ‘the most ordinary and common meanings and the finest individual meanings’ – had ‘significance in their conjunction’ that meant they must be used in any definition of ‘culture’. (Williams, 1958, p. 11). Williams further developed a tripartite conception of culture that was ‘a general process of intellectual, spiritual and aesthetic development’, a ‘particular way of life, whether of a people, a period or a group’, and ‘the works and practices of intellectual and especially artistic activity’ (Williams, 1983, p. 90).

While Williams’ definitions are crucial and illuminating, another view of culture was developed by Stuart Hall, who was concerned with ideology and the complexity of cultural relations and in particular ‘cultural power and the nature of cultural implantation’ that was evident in mass or ‘popular’ culture (Hall, 1981, p. 68). Hall interrogated ‘anthropological’ notions of popular culture and found them
wanting (ibid.). Instead, Hall settled on an ‘uneasy’ critique of popular culture that ‘looks, in any given particular period, at those forms and activities which have their roots in the social and material conditions of particular classes; which have been embodied in popular traditions and practices’ (ibid. p.69). Hall’s formulation is concerned with ‘cultural struggle’ and critiques of ‘cultural power’ in what is and is not included in ‘the great tradition’ by educational and cultural institutions (ibid.). Here Hall sees the reactionary, privileged and powerful classes constructing and co-opting culture in order ‘to support tomorrow’s dominant system of values and meanings’ (ibid. p. 69). Hall makes a strong critique of popular culture as needing a ‘socialist accent’ during a time of much economic, social and political turmoil in the United Kingdom in the 1980s when the Margaret Thatcher-led Conservative government attained power and emphasized class divisions through its divisive neo-liberal economic policies. For Hall, culture was also a battleground between classes and ideologies that reflected the dominant paradigms that shaped all other elements of a society (ibid. pp. 70-1).

Another approach critiques notions of culture and power through the lens of ‘political economy’ which has its roots in critiques of capitalist economics initially developed by Karl Marx. Peter Golding and Graham Murdock exemplify this as they criticize the emphasis of proponents of ‘cultural studies’ on the ‘construction of meaning’ through negotiated expressive forms, rather than the capitalist structures that culture is sited within (Golding and Murdock, 1991, pp. 70-1). Their ‘critical political economy’ approach ‘starts with the sets of social relations and the play of power’ (ibid. p. 73). This is the examination of the asymmetric relationships between governments, finance, owners of media platforms, political groups, institutions and citizens designed to show how particular ‘micro-contexts are shaped by general economic dynamics and the wider structures they sustain’ (ibid.). The dominance of ‘corporate conglomerates’ over cultural production and dissemination systems (such as record companies and the media) is then ‘a commodification of cultural life’ in that culture in the service of profit and power can be seen as ‘the production of meaning as the exercise of power’, demanding a critical analysis of dominant ideologies in cultural texts, the re-capturing of the symbolic and discursive power of cultural expression by informed societies, governed by orientation toward the common good rather than financially powerful classes and organizations, as well as the protection of ‘micro-cultures’, dissidence and access to cultural production beyond commercial and consumer systems (Golding and Murdoch, 1991, pp. 77-89).

However, there is a contrary approach that attempts to unshackle culture from the structural forces of society. Paul Willis contradicts critical political economy approaches when claiming that the commercialization of culture enables ‘the possibility of cultural emancipation working, at least in part, through ordinary, hitherto uncongenial economic mechanisms’ (Willis, 1990, p. 131). Willis argues that the ongoing investment of capital by culture producers working in the competitive capitalist system
operates to create cultural commodities that would otherwise never exist; ‘a historical present’ which is ‘real’ and from which ‘we cannot now escape’ (ibid. p. 19). These cultural products add to wider ‘common culture’, opening up new spaces of cultural contestation and development (ibid.). Further, this system can be seen as ‘supplying materials for its own critique’ as culture develops and challenges the dominant cultural forms available for undermining (ibid. p. 139). In this sense, the capitalist cultural production industries can be seen as providing an essential platform for ongoing ‘cultural emancipation’, not offered in the institutions of state or civil society – a ‘contradictory empowerment’ that ‘may open up a better way’ of developing appropriate, dynamic and liberated cultural forms (ibid. p. 160). Therefore, the commercialization of culture enables more ways of creating and challenging culture, much of which is perhaps disposable, trivial or frivolous, but commercialized cultural production can also create opportunities, symbols and discourses of subversion of dominant cultural narratives and practices that would not otherwise develop.

The complexity of ‘culture’ as a place of contestation is reflected in this study too, as it examines and theorizes about the intersections between the state, notions of ‘New Zealand-ness’ and the definition and value of New Zealand music, as well as the corporate media as creators and promoters of culture and as part of societal structures that they also perpetuate. Implicit in this is William’s configuration of the ordinary as a particular way of life, and how artists, government agencies and the media interpret and react to conceptions of New Zealand culture. Here too is the contradictory and non-monolithic nature of culture as fluid and adaptive, even when commercialized and ‘captured’ by the market for profit and power.

Notions of ‘national’ musical culture are no less complex, as they must define what ‘national’ is as a starting point. This is especially complex in the face of globalization, trans-national cultural moments and movements and the ongoing ‘shrinkage’ of the world due to rapidly spreading worldwide communication networks. The ‘national’ is now almost defined by what it is not, rather than by a geographical place, a set of common values and norms and a common culture.

An important early critique of music as a ‘national’ cultural artefact is seen in Theodor W. Adorno’s work on the sociology of music (1968). Adorno argued that examining not only the nationality of a composer or geographical roots of a musical movement, but also the instrumentation, compositional techniques, the socio-political milieu and the ideological position of a composer and genre showed ‘how deeply the humanity and universality of music entwine with the national element they are transcending’, (Adorno, 1968, p.160). Adorno postulated a ‘dialectical’ history of music – one that exalted music as transcending the nation, but also one that ‘drew its energies from national peculiarities of compositional procedure’ (ibid, p. 174) To this end, at times the ‘national element became a musical productive force’
in reaction to colonialism, commercialism and to the standardization of music as a commodity that marked the anti-intellectualism and mass mimicry of industrial production and consumption (ibid., pp. 163-8). Adorno was critical of the nationalist fervour of schools of music, based in and reflective of nationalist chauvinisms, socio-political turmoil and the industrialization of human endeavour (ibid., pp. 154-177). Adorno was particularly scathing about the music of Germany, from where he was exiled during the Nazi era as he was Jewish. While acknowledging a long and diverse musical history, a ‘genuine, specifically German musical accent’ and the talent of German composers such as Mozart, Adorno was transfixed by the ability of composers such as Wagner to ‘conjure up a world and manipulate a half-submerged and forgotten collective world of images’, that when used in the service of Nazi Germany as a pure ‘Aryan’ and ‘German’ music during the Third Reich, forced other nation’s musical development into ‘programmatic nationalism … as a defence’ (ibid. p. 170). Adorno claimed that the end of World War Two was also the end of national music, with the ‘internationalization’ of music in the Western world speeded up by the new conflict between the Soviet bloc and the West. In this sense the West was extending democratic ideologies to music in deliberate contradiction to the suppression of modern music behind the Iron Curtain (p. 174-5). For Adorno, by 1962, the age of ideological nationalism in music was ‘not only socially obsolete but rendered out of date by the history of music itself’ – a tendency for universal musical concepts to cross national borders and for composers to create ‘particularizations’ that while national in conception, ‘recoil into the universal’ of ‘stylistic unity’ (ibid. pp. 175-7).

Globalization can be seen as another agent of ‘stylistic unity’. Robert Wallis and Kirster Malm argue that the global nature of the contemporary music industry has created a ‘local-national dichotomy’ that creates a ‘national bypass’, in effect ignoring the significance of national musical narratives to privilege the very large and the very small music systems (Malm and Wallis, 1992, p. 237). Wallis and Malm also posit a process of transculturation – an industrialized and transnational system of music making and marketing that picks and mixes stylistic parts from many places to form new musical genres and moments to sell to mass markets. Malm argues that this means ‘creation of musical styles that are the lowest common denominators for the biggest possible market’ (Malm, 1993, p. 343). These styles are removed from ‘national’ culture as they are manufactured with global markets in mind, easy to consume for audiences anywhere the multinational company is established. These styles dominate media in target markets, further eroding the ability for national styles to proliferate (Wallis and Malm, 1984).

David Hendy also examines the interaction of the global music industry with local music and radio, stating that ‘the global and local are entwined by radio’ as audiences are now situated in a global culture as ‘communities of interest linked around the globe’, rather than finding commonalities in a geographical place (Hendy, 2000, pp 64-5). Hybridity becomes possible and even the norm in this new globalized
environment, as the local and transnational ‘entwine’. Motti Regev sees the global music industry as creating audiences of ‘reflexive communities focusing their sense of identity and difference around particular mixes of cultural materials’ (Regev, 1997, p. 426). Further to this, Regev argues for a global rock music aesthetic that has created ‘a common reference point for musicians and listeners around the world’ – a construction understood by audiences as ‘modern-universal, and local or national’. (ibid., pp. 426-7). Regev unpacks a ‘cultural logic’ of globalization in that ‘fields of production expand into webs of local and global positions’, meaning that ‘local styles of music become part of one history, variations on one cultural form – without necessarily losing a sense of difference’ (ibid., pp. 427).

Ian Biddle and Vanessa Knights seek to explain a more recent trend in popular music studies to study the influence of notions of place on local and national music, calling these studies of style, identification, ethnicity, genre and location ‘cartographies of music’ (Biddle & Knights, 2007 p. 2.). This ‘tendency to foreground micro-communities and their local engagements’ is seen as usurping the dominance of national music narratives as streets, towns, cities and areas are connected to particular styles and genres in these studies. The ‘idealization of place’, while ‘methodologically extraordinarily productive’, can result in ‘romanticization of the local as inherently “subversive”, “oppositional” and “authentic”’, while music that is not somehow grounded in locality becomes inauthentic and artificial (ibid. p. 3). Biddle and Knights argue for ‘re-encountering the national’ so as to ‘uncover’ the national as a ‘mediator in the global/local syllogism’ (ibid. p. 12). Critical to this work is:

‘The large and complex history of the encounter between popular music, nations and nationalisms [that reveals] an extraordinary tension between the centralized cultural policies of nation-states and the “local” or more distributed practices of popular musicians’ (Biddle & Knight, 2002, p. 12).

They conclude that popular music offers a way to ‘open out the national’, beyond a place with a located ideology, but also as a ‘territory that has symbolic force beyond its parochial-political needs’ (ibid. p. 14). There is now an obvious site of contestation to grapple with as the fluid and unstable nature of the nation-state encountering the nationalistic, the local and the global presents new ways to understand the production and reception of music as ‘demonstrating the national as a liminal or interstitial space’ that situates the mutuality of local and global exchanges (ibid.).

A related critique of the symbolic structures and elements of culture has emerged from a ‘production of culture perspective’ – interrogating how cultural outputs are shaped and defined ‘by the systems within which they were created, distributed, evaluated, taught and preserved’ (Peterson & Anand, 2004, p. 311.) This perspective is conceived of as a ‘coherent and self-conscious approach to understanding how the expressive symbols of culture come to be’ (DiMaggio, 2000, as cited in Peterson & Anand, 2004, p. 313) and a ‘six-facet model of the production nexus’ is suggested by Richard A. Peterson and
N. Anand (2004, p. 313-18). These ‘facets’ are a culmination of elements of studies of cultural production over 25 years and serve to encapsulate the creative, industrial and symbolic nuances of the ‘creative industries’ as a ‘perspective’ on culture. ‘Technology’ in this framework examines the use of technological change in things such as amplification, recording and more recently digitalisation by creators and companies producing cultural artefacts. ‘Law and Regulation’ interrogates the confluence of creativity and governmentality in things such as copyright and content regulation. ‘Industry Structure’ then examines how industries grow out of the coalescence of ‘new technologies, legal arrangements and newly conceptualized markets’ (ibid., p. 315), a process of ‘institutionalization’ that formalises these elements into a controlled structure that may develop elements of oligarchy, even in the more nebulous and chaotic spaces of the creative production (ibid.). ‘Organizational Structure’ is therefore important, as this gives insights into levels of entrepreneurialism, flexibility and bureaucratic interference in the production of culture, and of levels of standardization and experimentation in organizations concerned with culture (ibid., p. 314-5). ‘Occupational Careers’ considers ‘sustained collective activity’ that ‘develops a career system’ for cultural producers that is marked by elements of ‘elite, entrepreneurial, peripheral, light and literary’ conceptualizations. Creative workers become actors in and creators of these structural biases and tensions between looser and more chaotic ‘bottom-up’ creative careers and more formal and structured ‘top-down’ career patterns that produce fault lines and intersections of cultural practices and production (ibid. p. 317). The ‘Market’ is an essential conceptualization of the orientation to and destination of these elements in this framework, as ‘those in the field tailor their actions to create cultural goods that are currently most popular’, particularly in the allocation of interest and resources towards certain genres and elements of cultural products (ibid., p. 317-8).

Taken together, ‘two regularities’ appear from the study of cultural production (ibid.). The first is that any significant change in any one of the six ‘facets’ tends to destabilize and reorganise the other five, leading to new perspectives and reconstruction of ‘the entire production nexus’ (ibid. p. 318). The other is dependent on the configuration of the six as they exist in ongoing flux, producing one of three core ‘states’ – ‘oligopolistic and stable, producing unimaginative cultural fare; turbulent and competitive, nurturing cultural innovation and competitiveness managed by oligopolistic control fostering diversity without innovation’ (ibid.). While this framework is useful in examining broader structures of cultural production and in some ways reimagines earlier conceptualizations such as those of Adorno and the ‘culture industries’, it does tend to focus significantly on the relations of production while removing consumers of culture from the frame, beyond the concept of audiences as ‘markets’ and of the intrinsic and symbolic value of culture in itself as collections of practices and for its own sake. These elements are acknowledged by Peterson and Anand (ibid., p. 326-7). There is also a disconnect evident in the cultural production perspective construct between the institutions of cultural production and cultural production as an act of creating, reaffirming or reflecting on ‘national identity’ or in the direct service
of the nation state. In many ways, the cultural production perspective favours examination of industrial actors and institutions over the wider national narratives of culture and cultural practices as a critical element of nationhood. Peterson and Anand see opportunities for using cultural production perspectives at the ‘societal’ level, acknowledging the need to broaden the theories further and to account for the state and cultural production in globalised capitalist economic structures.

John O’Flynn argues that representations and performances of national identity in music are still possible, even if they are ‘inevitably situated with the global and local historical contexts … constantly in a state of flux’ (O’Flynn, 2007, p. 19). Pointing to Irish musicians who had managed to achieve international success, O’Flynn sees the interplay of local, national and international elements as ‘best understood in dialectical terms’ in that no ‘inevitable trajectory or continuum of success’ can be constructed from different approaches to creating national styles of music (ibid., p. 32). Instead, notions of authenticity become critical to constructing a national musical narrative (ibid. p. 33), one that embodies ‘shared beliefs, historical continuity, symbolic and active identity represented by institutions or proxies, links to geographical location and a common set of characteristics’ (ibid, pp. 22-23). Authenticity can be seen as a reaction to the commodification of music – mythologizing the ‘folk’ or ‘ethnic, nature of ‘true’ national music (ibid., p. 34). Authenticity is also concerned with hybridization, in that new national narratives, inflected with ‘globality’ have emerged in contrast to the hyper-local and hyper-nationalistic essentialist notions of identity of the past (ibid.). This constant renegotiation of authenticity also reflects the reorientation of the nation-state to the global economy in that the ‘transition from a bounded, cultural and political view of the nation-state’ is challenged by ‘supra-national configurations’ as globalization unfolds (ibid. p. 35). National musical authenticity is therefore a ‘complex site of contestation involving civic, ethnic and economic conceptions of national identity’, transitional by nature and informed by local, national and global discourses and practices (ibid.).

O’Flynn also adapts the Gramscian concept of ‘hegemony’ (Antonio Gramsci 1891-1937) to the nation-state’s involvement in the support of national musical forms and outputs. To this end, civic, ethnic and economic identities as well as institutions and dominant social and political groups can be seen as privileging and supporting specific types and styles of national musical expression, with styles and types not part of the discourses and practices symbolically negated (ibid., pp. 27-9). In addition, outside influences can be captured and implanted into the hegemonic narrative, with those influences privileged over others not supporting the dominant groups and practices (ibid.). O’Flynn notes the ‘agency of the nation-state’ as part of hegemonic national music practices, using New Zealand as an example of this, noting that ‘interventions may be cultural in aspiration, or they may be motivated primarily by national industrial concerns. In either case, notions of national music or musics are perpetuated’ (ibid. p. 28). Despite this, O’Flynn ultimately argues for a more fluid interpretation of the
relationship between the nation-state, civil society, local and international economic institutions and global and local culture. This means that ‘the nation presents an appropriate focus for studies of music and collective identity’ while theories of ‘transitional authenticities’ present a way to include the ‘interplay between national and global contexts of musical identification’ (ibid. p. 37).

New Zealand music ‘comes of age’

In recent years, there has been a noticeable increase in the publication of popular histories and critiques of New Zealand music. Authors such as Chris Bourke, Nick Bollinger, Grant Smithies, Gareth Shute, David Eggleton, John Dix, Bryan Staff and Sheran Ashley have produced fine-grain studies of music in New Zealand as popular histories of genres, periods and industry developments and also lists of top selections from established critics. These publications are replete with detailed accounts from musicians, industry players and audiences as well as glossy, rarely seen and often spectacular photography. These are very much ‘national’ narratives, aimed at broad, fan-based, but also, layman audiences and focus on the adaptation of international styles and the influence of locality, distance, spaces and indigenous influences on New Zealand music. These are worth explication here, as they help to situate New Zealand music cultures in broader notions of ‘New Zealand-ness’.

Jon Dix (2005) began this recent revisiting of New Zealand as a place with a unique musical heritage with a detailed and extensive discussion of ‘New Zealand rock and roll’ from 1955 to 1988 (revised and updated in 2005) in the book *Stranded in Paradise* (Dix, 1988, 2005). Dix deftly traces the roots of ‘modern era’ popular New Zealand music from post-war community hall dances and early recordings to a vibrant, diverse and viable local music industry by stringing together the artists that gained national (and sometimes international) acclaim, as well as the various influences of overseas popular culture arriving in New Zealand, the local influences of the indigenous Māori people, the development of a local recording industry and the influence of international and local independent record labels on music made in New Zealand. Dix focuses significantly on commercially successful New Zealand bands and the tone of the book is decidedly celebratory, even deferential throughout, with Dix declaring ‘I never fancied myself as an historian and I’ve always thought that there are people better placed than me to take it upon themselves to chronicle the New Zealand music industry’ (Dix, 2005, p. 10). *Stranded in Paradise* is more an enthusiast’s account of the social and cultural development of popular New Zealand music, deeply infused with passion for the topic. That said, it is important here as it marks a change in attitudes of writers, publishers and audiences towards New Zealand music as something worthy of discussion and celebration from the mid-1980s onwards. This reflects Neill’s argument (2005, see earlier) that the ‘cultural cringe’ reaction to New Zealand-made music (ibid., p. 288) was overcome by commercial success, radio airplay and the strong influence of the fifth Labour government, who came to power in
1999 and began reorganizing the cultural sector to create new local and international markets for New Zealand products, which included popular music (Scott & Craig, 2012, pp. 144-151). The two versions of *Stranded in Paradise* are also significant in demonstrating changes in the New Zealand music scene bought about by the formation of New Zealand on Air and its legislative responsibility to ‘get more New Zealand music on New Zealand radio’, enacted in 1989 (NZOA, 2013). Dix is able to chart the shift in attitudes of governments, the international and local music industry, musicians, the media and audiences to music made in New Zealand between the first and second editions of the book, concluding ‘it’s a much healthier industry’ (ibid., p. 10), that New Zealand radio had ‘embraced Kiwi Rock’ (ibid., p. 290) and that New Zealand popular music was ‘plugged directly into the international marketing grid yet remained resolutely indigenous’ (ibid. p. 288). While the title of *Stranded in Paradise* suggests a music scene removed and remote from international popular music, the realities of the world in New Zealand as well as New Zealand in the world are key features of these volumes.

Bryan Staff and Sheran Ashley (2002) also explored notions of a unique New Zealand musical culture in their exhaustive study of the recording industry in New Zealand from 1940-2000 in the book *For the Record*. Their aim was to ‘celebrate the New Zealanders which contributed towards our recorded music and consequently our culture when one of our major leisure activities in New Zealand was playing records’ (Staff & Ashley, 2000, p. 150). Covering more than 60 years of the history of New Zealand record labels, their artists and the technology that was used by both the recording industry and audiences, Staff and Ashley present New Zealand as a place connected to the contemporary music industry as much as any Western country. As well as detailed histories of all of the major (and many minor) recording labels and their various successes, failures and owners, Staff and Ashley explore how musicians combined the international popular music that influenced them with their own influences at home. Staff and Ashley focus on the influence of British and American music for the most part, downplaying the influences of Māori, whose strong and unique tradition of music was also influential on 20th century popular music made in New Zealand (Bourke, 2010, p. 1). The foreword to another extensive popular history of New Zealand music poses an interesting question – ‘Why are we so creative?’ (Phillips, 2003, p. 7). David Eggleton’s 2003 attempt to construct a coherent narrative about 50 years of New Zealand rock music begins with one doyen of New Zealand music, Martin Phillips17, positing that ‘ancestors who escaped various forms of tyranny … had fire in their hearts, and that spark still survives as a fearsome independence and creative drive in many of us’

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17 Phillips has been a major figure in New Zealand popular music since the early 1980s, especially as the singer, songwriter, guitarist and orchestrator of the band *The Chills*, which is notable for its ever-changing line up over the years, as Phillips drove various changes of direction, local and international tours and recording contracts. The band has never really been defunct, as Phillips is wont to reform the band for small gigs from time to time. For more on Phillips and *The Chills* see [http://www.softbomb.com/](http://www.softbomb.com/).
Ready to Fly: The Story of New Zealand Rock Music covers much of the same ground as the Stranded in Paradise volumes, but is notably more concerned with creating a sense of New Zealand music as unique, special and specific. Eggleton argues that:

‘The beginning of rock and roll in this country was undoubtedly derivative, imitative and generic, but it also had some recognizable local features – echoes of our sea shanty and bush ballad traditions, along with unmistakable Polynesian harmonies and rhythms’. (Eggleton, 2003, p. 190)

Further to this, Eggleton claims that New Zealand music is essential to understanding what it is to be a ‘New Zealander’, in that ‘our sense of national identity began to register in this new cultural form’ (ibid) and that New Zealand music would be recognizable anywhere in the world as it:

‘Will inevitably have something of the raw and the strident, the gothic and the dark, the lilt and the breeziness of Noisyland, deep in the Pacific of bass’ (Eggleton, 2003, p. 191).

This is quite a remarkable claim to make, considering Eggleton’s other claims about the universality of rock music made in Ready to Fly. He is particular in pointing out that New Zealand musicians were following their counterparts worldwide in reconstructing rock music as ‘the raging primal potency of rock and roll is always being reinvented and restated in ever adjusting formats’ (ibid., p. 176), and that ‘rock music endures through constant revisionism’ (ibid. p. 191). Eggleton somewhat downplays the influence of government intervention in popular music via New Zealand on Air from 1989, preferring for the most part to lump its work in with ‘the rebranding of New Zealand’s economic identity’ (ibid.). This is a flaw in Ready to Fly, as there are strong arguments to make about the privileging of the type of New Zealand music that is selected for funding, promotion and air play that has heavily influenced what is considered ‘New Zealand’ music (Dubber, 2007). There is a missed opportunity here to explore the influence of key tastemakers in government departments, the media and in the New Zealand music industry over what is considered ‘popular’ and by extension, economically viable music worthy of support.

Ready to Fly is notably nationalistic and unashamedly uncritical – as it is aimed at a broad popular market, perhaps to cash in on the end of the ‘cultural cringe’ posited by Neill and Dix earlier. However, Ready to Fly does serve to again demonstrate a flowering of the discussion and the construction of new narratives about what New Zealand music means to New Zealanders and also about the power of the popular music to influence not just the media, audiences and the music industry, but also governments and policy makers.

Gareth Shute has produced two comprehensive studies of music in New Zealand, one genre specific, Hip Hop Music in Aotearoa (2004), and a more broad work NZ Rock 1987-2007 (2008). Chute is both a musician and a writer and manages to capture New Zealand music scenes from the perspective of a
practitioner, fan and also an archivist. *Hip Hop Music in Aotearoa* is a detailed exploration of the roots of the form in New Zealand, tracing and connecting a lineage from Māori *waiata* (song) and Pacific music styles through international black music movements such as reggae, breaks and the early New York developments of Hip Hop as a style that also contained social and political critiques that resonated with disaffected and marginalized Māori and Pacific Island youth in New Zealand (Chute, 2004). *Hip Hop Music in Aotearoa* is important in that it opens up a narrative previously side-lined by the ‘bigger’ story of New Zealand music as an amorphous and overarching system, with little variation or internal dissent apparent. Chute instead highlights the diversion of talented Māori and other Polynesian musicians away from the overwhelmingly ‘white’ culture of the New Zealand music and broadcasting establishment that was social, political, economic and ultimately redemptive for those involved, who are quoted extensively throughout the work. Again, Chute mixes the international with the local, arguing for a form of hybrid Hip Hop culture developing in New Zealand that was both easily recognizable to outsiders, but also unique to New Zealand as a South Pacific nation (Chute, 2004).

Chute’s 2008 book takes a broader view of a period in New Zealand music that was driven by a change in direction bought about by the advent of New Zealand on Air. *NZ Rock 1987-2007* is a comprehensive look at the major success stories of the era, with some fine grain detail added by exploring lesser known artists and their struggles to either fit into the economic structures of the New Zealand music industry or to survive and thrive outside of it. Here too there is considerable detail added by the artists themselves, as they remember those struggles and triumphs, but also the very real change in the status, economics and recognition of New Zealand music as government policies began to influence the music industry, the media and audiences in New Zealand, and abroad. Chute argues that political pressure over introducing New Zealand music quotas, a commercial-free, publicly funded Youth Radio Network and growing confidence among artists served to push policy makers into developing a more lucid strategy for music that also included the development of associated industries such as professional music management, recording and marketing. This worked alongside the New Zealand on Air funding system to energize the music industry and also the broadcasting industry into a remarkably cooperative period that was mutually beneficial over the 20 year period described (Chute, 2008, pp. 184-185). Chute also notes that ‘all of this goodwill would have been nothing without the songs’, and pays particular attention to successful artists who were ‘groomed’ carefully by both government agencies and record companies working in close partnership (ibid., p. 185). Ultimately, *NZ Rock 1987-2007* is, like its predecessors mentioned here, celebratory and largely uncritical. It is however a fascinating documentation of a quite remarkable period of growth, success and development in New Zealand popular culture that shows that deliberate, carefully planned and orchestrated government intervention can make a significant difference to a cultural sector.
Chris Bourke (2010) foregrounds the influence and success of Māori music in another exhaustive study of a vibrant period in New Zealand’s musical heritage in Blue Smoke, named after the first record to be completely made in New Zealand, from composition, to recording, to pressing, in 1949. Bourke mixes stories of the local songs, bands and record companies with the arrival of music from the United Kingdom at first, and increasingly the United States from 1918 onwards. Blue Smoke again shows the tendency of New Zealand musicians to view themselves as part of a wider culture of music as they borrowed liberally from overseas while adapting Māori musical forms such as waiata to new instruments, recording techniques and performance styles from international popular music culture. These bands then took this adaptation with them on tours to Australia, the Pacific Islands, Europe and the United States, both mimicking and reinventing a common popular music culture that transcended national borders. Bourke argues that ‘music, like a virus, respects no borders’ and combined with the rapid technological change of the 20th century ‘popular music was a conspicuous example’ of the disruption, innovation and cross-pollination of international cultures interacting with national cultures (Bourke, p. 4). What is remarkable is the ‘ordinariness’ of transcribing, reconfiguring and borrowing musical styles in New Zealand – making it a place very geographically isolated, yet very much part of a trans-national Western musical culture.

Another notable recent trend in writing on New Zealand music is ‘best of’ compilations of favourite albums, produced by well-known New Zealand music critics. The first of these is Soundtrack: 118 Great New Zealand Albums by Grant Smithies (2007), an established critic for Fairfax Media (NZ) publications. Smithies claims some disdain for the format, stating ‘I’ve never been a fan of those facile ‘Best New Zealand Single Ever’ lists that crop up from time to time’ as ‘culture is not a horse race’ and therefore somewhat subverts the typical ‘best of’ structure (Smithies, 2007, p. 11). Soundtrack begins with the premise that it is ‘crammed with blind prejudices, foggy memories, rash declarations, unsubstantiated assertions and, quite probably, lies’ (Smithies, 2007, p.7). That said, it also offers cultural histories of all 118 albums covered, partly to ‘address a historical injustice’ Smithies sees in the hyping of commercially success, rather than unique, emotive and generally more artfully conceived albums made in New Zealand. (Ibid. p. 8). Part of what Soundtrack is about is Smithies’ ongoing discussion in his reviews and columns about what music means to a society, and how to write about it. Smithies discusses the complex role of musicians and music through examining their artefacts and the effect of those on society. Interestingly, he lets others take over the narrative from time to time, to reinforce this complexity as musicians, other critics and sundry others from a cricket historian to a film director discuss

18 Smithies explains that while he was only given room to write about 100 albums, he ignored that and ended up 118 ‘because I think they are all pearlers’ (Smithies, 2007. P. 8).
19 A good example of Smithies grappling with these themes was published in July 2007 on the topic of what makes ‘good’ music. Available at : http://www.stuff.co.nz/entertainment/music/8872522/Some-music-really-is-better-says-Grant-Smithies
their affinity with certain albums, artists and scenes. *Soundtrack* may be ‘proudly subjective … and by no means exhaustive or definitive’, but it is also intelligent, thoughtful and ultimately, revealingly complex (ibid.). Significantly, Smithies makes no claims for a unique New Zealand music, or for an isolated music industry at the end of the world. He does however treat music as of a place, claiming:

‘There are extra layers of meaning to be gleaned from art made somewhere just up the road, by someone who has grown up with a similar bunch of cultural references to yourself, eating similar tucker, moving through the same landscapes, watching the same crappy ads on the telly’ (Smithies, 2007, p. 7).

In many ways *Soundtrack* goes far beyond the earlier trend of writing detailed and celebratory histories of New Zealand music and is more critical – teasing out the influences of place, policy and power on music made in New Zealand.

Nick Bollinger manages to follow the format in *100 essential NZ Albums* (2009). Bollinger is a long-standing music critic for the public radio broadcaster, Radio New Zealand and the culture and current affairs weekly publication *The New Zealand Listener*. Bollinger is also a musician and producer and brings those perspectives to his popular critiques. *100 essential NZ Albums* is mainly concerned with popular New Zealand music that has had a measure of commercial and/or critical success, and does not delve as deeply or widely as *Soundtrack* does. Bollinger claims digital technology such as easy home recording, drum machines and ‘auto-tune’ systems means that finding more recent music that is truly special is getting harder. Arguing that ‘more than ever, it has become necessary to seek out and celebrate originals, the singers and bands who come up with something unpredictable and beautiful’, Bollinger makes no claims for a unique New Zealand music, but chooses the 100 albums by the criteria’s of them being made by New Zealanders, anywhere in the world and by them ‘speaking to me today’ (Bollinger, 2009, p. xi). Bollinger admits that ‘some undoubted milestones have dated so badly’ they were left out, claiming that ‘that is the nature of most pop – it is built to last only until the next thing comes along’ (ibid. p. xii). What *100 essential NZ Albums* offers is a popular critique of significant moments in music made by New Zealanders, spanning 60 years, and still resonating today in discussions of what is unique or special about popular music made by New Zealanders. Bollinger generally avoids politics and economics in his critique, focusing instead on the musicality, unique sensibilities and ongoing influence of the albums chosen. To this end, *100 essential NZ Albums* can be seen as part of the construction of power myths around the ‘New Zealand-ness’ of music made by New Zealanders, more so than Smithies but not to the extent of others mentioned here. This is important as part of the wider narrative about the ‘value’ of New Zealand music and how that value is traded upon by artists, businesses and governments to create music, make money or to win votes.
Rethinking New Zealand music

Roy Shuker and Michael Pickering began to explore the relationship between popular music and cultural identity in New Zealand in 1994. Noticing ‘a series of high points’, which included the publishing of *Stranded in Paradise*, a successful convention about New Zealand music and a significant increase in New Zealand songs in the charts among positive signals, Shuker and Pickering asked if the New Zealand music industry was ‘in good heart’ (Shuker & Pickering, 1994, p. 261). They conclude that ‘the vital signs are in fact mixed’ (ibid.) in that a general lack of support from the media, a lack of professional music management skills, underfunding of promotional campaigns, the focus of international record labels on developing only artists that could fit international markets, and a need for more government engagement in popular music as critical (ibid., pp. 261-71). Shuker and Pickering focus on the debate around imposing legal quotas on radio to play New Zealand music, and problematize the notion of what New Zealand music means, in terms of how it sounds, the lyrics, the commercial potential (or otherwise) of local music scenes, the influence of international labels on artists, the dominance of Anglo-American youth culture in a globalised world and the production techniques and standards used. (ibid., pp. 261-76). They argue that the New Zealand music industry was a ‘useful example of the tensions that exist between the core and the periphery in the global music industry’ (ibid., p. 262) and that ‘questions of the relationship between popular music, local cultural identity, and the internationalisation of the music industry are strongly present in New Zealand’ (ibid. p. 275).

Shuker and Pickering go beyond arguments for cultural imperialism and also essentialist notions that New Zealand musicians ‘embody and support a local cultural nationalism in their work’ (ibid.). They argue that there is very little evidence for unique, culturally specific New Zealand music and that ‘what counts as popular music has been identified with a particular imported form, the result of the dominance of American radio formats, music videos, and production values’, meaning that ‘local product is often qualitatively indistinct from its overseas counterparts’, which would make arguments for a radio quota because of the value of supporting unique, binding and ‘national’ music that reflect New Zealand culture untenable (ibid. p. 275-6). Instead, Shuker and Pickering make an economic argument for airplay quotas, noting that New Zealand musicians were marginalised in their own country by international music and that the most successful had moved to larger markets overseas (ibid. p. 262, p. 276). The introduction of a quota would assumedly increase exposure and sales of New Zealand music, helping more artists to make a living off music in New Zealand (ibid. p. 276). Ultimately, Shuker and Pickering were early exponents of interrogating the interplay of local/international in New Zealand music in the global age, and argued for a better mix of policies that would reflect this in terms of the economics of New Zealand music.
Shuker (2008) revisited the New Zealand popular music scene 14 years later to examine the impact on popular culture of the interventions of New Zealand on Air. Shuker notes ‘impressive growth’ and that New Zealand’s popular music industry had matured to the point that it was ‘poised to make a significant international impact’ (Shuker, 2008, p. 271). This he attributes to strong government support, the well thought out and incremental interventions of New Zealand on Air, and the close and cooperative relationships that had developed between government agencies, the music industry and the broadcasting industries. Shuker also describes the emergence of two significant musical movements that had flourished with targeted government support or by building strong local audiences, an independent business plan and by utilising local and global networks to create touring and sales opportunities. ‘Indie’ and ‘garage rock’ and ‘New Zealand urban Polynesian sounds’ are interrogated as demonstrating the complex interplay between local and global cultures. Shuker claims that indie and garage rock artists from New Zealand, while interesting, popular and born of ‘long, honourable tradition in New Zealand’, have nothing ‘distinctively local about their music’, even though it was eligible for New Zealand on Air support (ibid., pp.280-1). The growing popularity locally and internationally of a New Zealand-based, pan-Polynesian sound, significantly influenced by Bob Marley and other reggae artists, as well as Polynesian and Māori spirituality – which privilege a sense of connectedness to the land, sea, place and one’s ancestors – are characterised by Shuker as ‘local inflections of imported musical styles’, which strongly resonated with young Māori and Polynesian music consumers in the most Polynesian place in the world\(^\text{20}\) (ibid. p. 282). Shuker reasserts that popular music made in New Zealand reflected the ‘transformation of the global circulation of cultural forms’, creating ‘new lines of influence and solidarity, which are not bounded by geographically defined cultures’ (ibid.). Shuker notes that the ‘local and the foreign’… are not binary categories, but exist in complex interrelationship’ which makes it necessary to distinguish between local music and locally made music’. Further, Shuker argues that while the government still used the rhetoric of culture and local identity to justify spending on locally made popular music, it’s ‘pragmatic concern’ was the ‘economic value of the industry’, which displaced notions of the value of national musical culture (ibid).

Andrew Dubber also grapples with the nature of music as both a cultural and economic endeavour, arguing that the New Zealand government, through legislation enabling the deregulation of radio ownership and content interacting with legislation that requires New Zealand on Air to get as much New Zealand music on the radio as possible, has effectively weighted the economic benefits of music over any perceptions of national cultural benefits of music made in New Zealand (Dubber, 2007). The

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\(^{20}\) Partly as a legacy of New Zealand’s colonial past and partly as a significant place of employment and remittance back to home islands, New Zealand has the largest population of Polynesian peoples in the world with communities, some now in their fourth and fifth generations, of Cook Islanders, Samoans, Tongans, Nueicans, Tuvaluans, Tokelaunians and others of the Pacific Ocean’s island groups. [http://stats.govt.nz/browse_for_stats/people_and_communities/pacific_peoples.aspx](http://stats.govt.nz/browse_for_stats/people_and_communities/pacific_peoples.aspx)
forces of free market economies’ had ‘a significant impact on the cultural life’ (ibid. p. 22) of New Zealanders and had driven NZOA to fulfil its legal obligations by funding only New Zealand music that would fit with imported popular music (ibid. pp. 25-26). Noting that ‘recorded popular music is largely without geographical focus’, Dubber also argues that the New Zealand music environment is balanced between the local and the global, and that these positions are in constant negotiation (ibid. p. 20). Arguments for authenticity, a distinctive New Zealand music and the value of supporting national over imported culture fail in the face of deregulated radio competing for audiences with international pop sensibilities, legislation that forces the music industry to prioritise music that will work for that deregulated radio, and musicians trying to make a living in this system (ibid., pp. 30-3). Dubber also argues why the need to get more New Zealand on the radio is more illuminating than how to do it, pointing to the economic benefits, propagation and promotion of local music culture and scenes and the development of local musical careers as valid reasons (ibid., p. 33). It is that this question was not considered by New Zealand on Air in designing its funding models that Dubber levels the most criticism, as this may have broadened New Zealand on Air’s remit and revitalised its mission (ibid.). Dubber notes that New Zealand on Air has done its job as it was required by its enabling legislation – significantly increasing the amount of New Zealand-made music on New Zealand radio – but had, wisely, avoided prescribing what New Zealand music is, beyond it being made in New Zealand.

Tony Mitchell (2011) offers ‘place-based’ and ‘locative approaches’ to understanding music in New Zealand, that are both genre-based but also significantly concerned with the places such as towns and cities that music is made in (Keam and Mitchell, 2011, pp. x-xi). Mitchell sites one such study in the biggest New Zealand city – Auckland – exploring the changing dynamics of its musical culture through periods, venues and demographic upheavals that shape a new ‘multicultural’ music climate, while more traditional forms of rock and other popular music continue to emerge from the diverse urban environment of a city increasingly influenced by peoples of the Southern Pacific, but also connected to the major global music movements of the time. Mitchell’s study of Auckland music reveal the politics of musical identity through songs made in a young city geographically removed from the major centres of Western music but collecting international cultural moments and mixing them with the landscape, places and peoples in what he describes as an ‘Auckland poetics of place’ (Mitchell, 2011, p. 130).

Michael Scott (2008) interrogates notions of the ‘network state’ in relation to ‘a period of unprecedented audibility and visibility’ for New Zealand music (Scott, 2008, p. 299). Arguing that the ‘pop renaissance’ is a result of ‘partnership between the state, via NZOA, and commercial radio’ which delivers appropriate product to commercial radio to fulfil its own ‘voluntary quota’, Scott demonstrates that New Zealand on Air has invested in particular artists and genres as a ‘calculated state investment conditioned by the economic and cultural logics of the commercial broadcasting field’, which effectively
overturns the freedom of artists to ‘create’ in favour of conforming to radio’s format conventions (Scott, 2008, p. 304). Scott calls radio ‘a central institution in New Zealand’s pop renaissance’ that ‘plays a pivotal role in breaking new acts and the success of new ones’, noting that the head of music for New Zealand on Air was unequivocal about this in stating ‘we are not actually in the music business, we are in the airplay business’ (ibid. p. 300). While there was rhetoric from state agencies about national culture and identity, the networked state now chiefly linked ‘cultural and economic aspirations’ as New Zealand on Air ‘developed an entrepreneurial role’ that facilitated creating highly commercial radio-friendly music. Scott argues that ‘the success of the programme is based upon state agents developing an institutional isomorphism with existing music industry practices’ that joined up New Zealand-made, commercially focused pop music with New Zealand commercial radio (ibid. p. 299).

Scott, in conjunction with David Craig (2012), takes the active involvement of the New Zealand government further by interrogating the ‘promotional state’. Scott and Craig, in response to Simon Frith and Neil Cloonan’s call to ‘analyse more closely the ideologies of governance that undergird music policy’ (Scott & Craig, 2012, p. 143), question the legacy of neo-liberalism and attempts by the fifth Labour government to distance itself from the upheaval and turmoil of the neo-liberal 80s and 90s in New Zealand by becoming more interventionist in the cultural sector. Acknowledging the complex interactions and the ‘plurality of domains and fields’ of governance as it is ‘constituted through a complex assemblage of relations comprising institutions, apparatuses and organisations, and state and non-state actors each with specific know-hows’ (ibid., p. 145), Scott and Craig characterise Labour’s interventions in popular music as characteristic of the promotional state ‘which designs policies and programmes to support the audibility and visibility of domestic sounds’ (ibid., p. 146). Further to this is attempts by the state to weave popular music through ‘heterogeneous economic, social and cultural goals’ along with its susceptibility to ‘incorporation into social welfare policies and programmes’ as music is located primarily in youth culture, problematizes the place of popular music as representative of national culture (ibid., p. 147).

This was further complicated in New Zealand by the election of the fifth Labour government on a platform of healing social rifts that emerged during the neo-liberal experiment of the 80s and 90s (ibid., p. 150). Local popular music was to play a prominent part in this healing and ‘state enablement of the market’ was seen as part of a new era of ‘after neo-liberalism’ intervention in the economic, cultural and social spheres of New Zealanders lives (p. 152). Scott and Craig include the theoretical insights of New Institutional Economics (NIE) in their examination of this new interventionism, which analyses interactions between firms, governments, policies, economic interactions and ‘the market dimensionalities of public and private institutions’ in order to ‘reduce transaction costs’ and improve efficiencies by deliberate intervention, rather than relying on neo-classical laissez-faire economic approach.
with its lack of regard for the people involved in transactions, the social contexts they operate in, the changing behaviours of actors, institutional configurations, and the ongoing development of institutions (ibid., p. 153). This resonates with the experience of New Zealand on Air intervening in the popular music market the broadcast media on behalf of the state in that ‘the high degree of social connectivity and conviviality needed to create commercially successful artists’ was beyond neo-liberal positions of market-centric production (ibid., p. 153-4).

The place of national culture in this reconfiguration is unclear. While the promotional state can be seen as privileging particular (commercially viable) forms of music culture in New Zealand, its efforts to create institutions, policies and opportunities to monetise New Zealand music reinforce the rigidity of commercial radio format requirements. While it can be argued that state intervention via the construct of ‘after neo-liberalism’ has created a vastly different music system in New Zealand that has launched and sustained many successful careers, there is an argument to made for it also creating ‘churn’ in artists, songs, styles and fads as the reorientation of popular music has seen ‘new acts endlessly shuffling through’ funding and programmes that are designed to reach government economic goals (ibid. p. 159). This system gives no room to long-developing artistic endeavour, to slow growth and to notions of music as of a place and reflective of that. Instead, it facilitates conduits and connections between the local and international music industry, commercial broadcasting, particular artists and government agencies in order to create new markets for musical ‘products’, with the added benefits of supposed ‘opportunity, empowerment social inclusion and new institutional thought’ (ibid.). Scott and Craig argue that the promotional state analysis can go beyond the supportive subsidy and quota interpretations, narratives of interventions in the market or discursive analysis of policy formation, in order to consider more closely how ‘ideologies of governance can affect conduct on the ground’ (ibid., p. 160). To that end, the promotional state in New Zealand is embodied in New Zealand on Air and its contention that it is ‘in the airplay business’, and not the business of creating culture. Scott and Craig argue that the promotional state as created by the fifth Labour government shows ‘how the ideological legacy of neo-liberalism and its emphasis on markets, competition and the gain spirit continued to influence Labour’s “after neo-liberal” polices’ supporting New Zealand music. Concerns about national culture were in effect ultimately subsumed by market-driven realities and economic thinking, albeit in a different, friendlier guise (ibid.).

This literature review canvasses previous work on three core thematic elements of the Kiwi FM story – music, radio and deregulation – and how these elements interact in New Zealand as part of the broader media environment. Kiwi FM can be seen as an extension of an emerging nationalism around New Zealand music and also as an attempt to tap into radio audiences supposedly discarding Neill’s ‘cultural cringe’ around that music. The next chapter introduces and discusses grounded theory methodology
and how it is applied to the large, diverse and deep data set gathered for this study in order to produce theory with explanatory power, using Kiwi FM as a case study to explore wider issues inherent in media deregulation.
Chapter Three

Methodology

Grounded Theory

The grounded theory methodology is used in this study because it offers new ways of integrating different aspects of the outcomes of the deregulation of the media into coherent and comprehensive theory. This methodology requires theory to emerge from the actual data gathered, rather than basing a study on the ‘hypothesis model’ of beginning a research project by building questions from previous studies and literature and then interrogating data against them to prove or disprove the hypothesis the question proposes. Grounded theory requires a different approach which is also relatively liberating in that it does not require the researcher to take an initial theoretical ‘position’ or ‘-ology’ as the basis for the study. Grounded theory instead insists on the knowledge created not being unnecessarily circumscribed by a particular canon or construct of previous scholarship, while still being open to that knowledge in informing the research design. While grounded theory does enable researchers to create questions and hypotheses to interrogate as the data reveals new avenues for exploration, it does not rely on the data being attuned to a pre-constructed and fixed initial hypothesis that is being tested (Glaser & Strauss, 1967, pp. 39-43).

What is also appealing is that grounded theory is both a way to do research and also a systematic way of analysing the data gathered during and after the collection process. Grounded theory can be seen as a holistic and encompassing approach in that the research project is constructed so as to submerge researchers into the data so that they may create meanings only from the actual phenomena captured, necessitating that the researcher recognize and account for any personal experiences and constructs in the area studied as well as accounting for other scholarship that may be similar, but does not wholly explain the truths inherent in the unique situation being studied. The creation of theory from unique meanings is therefore ‘grounded’ in what data is actually captured, abstracted, coded and connected together to produce new knowledge or ‘theory’. Grounded theory is therefore not truly a ‘theory’ at all, but a method for generating new theory every time it is used. This internal contradiction is challenging but also informative, helping to create opportunities for abstracting meanings and assumptions further in order to keep the researcher focused on discovering previously unseen problems, connections and solutions. Grounded theory does not ignore previous modes of inquiry or research approaches, but
incorporates them if they suit the knowledge and questions emerging from the data, allowing for a very flexible research strategy.

Grounded theory is essentially concerned with abstracting data gathered when investigating initial and loose research questions to a high level in order to discover a ‘core category’, that is completely reliant on the truths inherent in the data gathered. To do this, levels of data abstraction are employed. Substantive codes are the initial conceptual categories that the data presents, theoretical codes connect substantive codes together in a more meaningful way in order to ultimately reach the highest level of abstraction and conceptualization that is the core code, from which theory can be created (Punch, 1998, p. 210).

Grounded theory was ‘discovered’ by two researchers, Barney Glaser and Anselm Strauss, who were looking for a new way to do empirical research with a focus on qualitative data collection in social situations where quantitative inquiry would not provide enough meaningful data to produce substantive theory; in their case landmark studies of people dying in hospital (Glaser & Strauss, 1967). Their challenge was to do complex sociological research in complex organizational contexts, a unique and intensive approach which initially privileged the use of qualitative data to reach richer and more complex understandings of the wide-ranging and complex phenomena associated with dying in hospital environments. Later, Glaser would argue that grounded theory would also be equally useful for analyzing quantitative data, which is one of the points that he and Strauss diverged on over the ensuing years and their subsequent development of somewhat divergent branches of grounded theory (Punch, 1998, pp. 163-166).

This divergence is most pronounced in the two branches’ approaches to the coding of data. Glaser (1978) developed a strong argument that theoretical codes should emerge from the data naturally, with no ‘pet codes’ or preconceptions constructed by previous scholarship or pre-organization of the project that would tempt the researcher to deduce relationships and answers rather than reach conclusions through the emergence of codes and theory from the data only. Strauss (1987) and later Strauss and Corbin (1990) argued for a broadening of the remit and basic tools of grounded theory and then demystification of Glaser’s more nebulous and abstract approach to theoretical sensitivity and data interrogation. Strauss and Corbin argued for a more analytical mode of grounded theory that allowed for generating and testing theory; one that was in fact a skill base that could be used by anyone who wanted to learn the procedures (Strauss, 1987, Strauss and Corbin 1990, Punch, 1998, p. 165). This apparent dichotomy of ‘deductive’ versus ‘inductive’ approaches to theoretical codes is again argued by Glaser in Basics of Grounded Theory Analysis: Emergence vs Forcing (1992). To Glaser, theoretical codes ‘earn their way into the data’ (Glaser, 1998, p. 164) and are not subject to preconception through ‘overlay by conjecture or pet theoretical codes’ (Hernandez, 2009, p.58). This seemingly insurmountable split
between the two theorists has been instrumental in claims of a lack of credibility in the method, but also
the ‘theory’ of grounded theory itself (Hernandez, 2008, Bryant & Charmaz, 2011.).

Towards Constructivist Grounded Theory

What both Glaser and Strauss do agree on is the absolute centrality of the data and the process of
abstracting and coding raw data into meaning in the development of a grounded theory (Punch, 1998,
pp. 210-14). A more recent development in the evolution of grounded theory is that early arguments
for researchers developing ‘theoretical sensitivity‘ through using grounded theory approaches have
evolved into acknowledging that the researcher as not merely a conduit for the discovery of truth, but
actually an agent in creating truth. Kathy Charmaz and Antony Bryant (2011) argue that beyond the
perceived Glaserian-Straussian split in grounded theory lies a way forward that solves some of the
epistemological problems of the polarizations of inductive versus deductive approaches. Charmaz and
Bryant make strong claims for all data being a construct that is necessarily informed by the life-worlds
of those collecting it and also that all data collection and writing of research is the product of researchers’
essential views and values (Bryant & Charmaz, 2011, pp. 292-95).

Labelling their approach ‘constructivist grounded theory’, they argue that grounded theory methods
have suffered from a crisis of creditability since the earlier developments of the 1970s as researchers
made claims that what they were doing was grounded theory but was in fact a pedestrian use of relatively
simple coding techniques combined with underdeveloped literature reviews and poor project
construction (ibid., pp. 294-95). Essentially, Charmaz and Bryant have revisited the original pre-split
works of Glaser and Strauss and reinforced the human element of grounded theory in that what the
researcher brings to the collection, coding and abstraction of data is ‘sensitivity’ to truths inherent in the
data as they perceive it, which is informed by what views and values they bring to the work, and that
these are essential in explication of the knowledge generated as their perceptions and values must inform
the outcome. Rather than previous knowledge of a researcher being a hindrance to the development of
fresh perspectives, they argue that it is core to it, increasing their sensitivity to ‘truths’ in the data. They
therefore deconstruct what some researchers claiming to be using grounded theory as the unproblematic
procedure of ‘turning off the tap of prior knowledge’ as an impossible ‘feat of cognitive plumbing’,
meaning that theory will somehow naturally emerge from the data alone, without any influence on the
outcomes of the research, coding and explication of the project from the people collecting or coding it
(ibid.). This approach therefore contains an essential truth of any research endeavour – it is a human
activity and that the essential ‘human-ness’ and experiences of the researcher will influence the outcome
of the project. Grounded theory has developed ways to account for this influence as without the interest
in the research held by the researcher the project would not have been attempted. The construction of
meaning and theory by abstracting and reconstructing data by developing ‘sensitivity’ to how that data
is connecting on more abstract levels because the researcher is interested in the outcomes is a key practice of grounded theory.

The constructivist approach to grounded theory therefore acknowledges what the researcher brings into the process of theory-making, in that the critical work of articulating a research question, understanding what influences and values the researcher brings to the project as well as building a platform of previous work and discovering and reviewing literature actually strengthens the theoretical sensitivity of the researcher and makes the theory derived from the data and coding process much more reliable and credible (ibid, pp. 295-98). The ‘constructivists’ therefore deflect a central critique of grounded theory in that the ‘all is data’ mantra can lead to impressionistic and reflective work that was no better than a starting point for other and more thorough ‘real’ research approaches (ibid. p. 296). All is not in fact data, but all of the elements of the project, including the researcher and the researched informing every aspect of the construction of knowledge from the data. The challenge for the researcher is to be clear and honest about their position in relation to what is being generated in collecting, abstracting and developing theory from the data.

This also provides a place for the researcher to ‘be’ in the grounded theory. Acknowledging the perceptions, biases, experiences and perspectives that they bring to the project is a first and necessary step in creating a research enquiry and in collecting and then coding data. While it is impossible to ‘bracket’ the totality of the researcher’s experiences and particular influences from the project outcome, the ‘voice’ of the researcher can be accounted for if there is clear delineation between what is presented as theory and what is presented as insight informed by the theoretical sensitivity developed during not only the literature review, the project formulation and the initial conception of the enquiry, but also the interests and curiosities that inspired the endeavour. Acknowledged correctly and used carefully, these human elements become research tools – part of the process, but never in predicting the inherent ‘truth’ – which is developed from the data as well as its use (Marshall & Rossman, 2011, pp. 96-9). This way, the researcher can further enhance the credibility of the grounded theory and argue for the value of the knowledge as developed in a realistic and informed setting that acknowledges what experience the researcher brings to the project which can also be accounted for in the results.

Ultimately, constructivist grounded theory has followed a circuitous route over the four decades of the development of the method and theory to a core element of its original deployment – theoretical sensitivity – the researcher’s ability to ‘sense’ what the data and coding is saying. Whether this is inductive or deductive is moot as it is actually both, and it is also a construction of the data, its collection and the collector. The challenge then becomes acknowledging and directing the experiences and interests that the researcher brings to the study so as to protect the need to maintain an open mind to any academic enquiry while using wisely and properly any previous experience the researcher brings to
the project that will enhance the outcomes. This approach allows for the integration of another fundamental truth of research: that the researcher clearly has an interest in the intended area of study and this interest means they must have some knowledge of the topic already. With these truths at the centre of the project, the researcher can then explore their own philosophical positions, their previous experience of the phenomena to be studied, their own expectations of the outcomes of the research and also their concerns and fears about the study and what they bring to it (Birks & Mills, 2011, pp. 19-20). Indeed, Glaser and Strauss argue in the original text, *The Discovery of Grounded Theory*, that grounded theory is in contrast to ‘logico-deductive’ theory in that it ‘cannot be divorced from the process by which it was generated’ (Glaser & Strauss, 1967, p. 5). The originators of grounded theory in fact warn that ‘the sociologist must be wary of using the rhetoric and models of neat, clear, logio-deductive formal theories as a substitute for data’ (ibid., p. 91). They argue that the ‘inductive method of theory development’ creates a higher level of conceptual abstraction that relies not only on diversity of data and approach, but also on insight, or the discovery of patterns, codes and truths by the researcher using the data with the intention to discover theory rather than test hypotheses (ibid., pp. 105-15). In this sense, grounded theory is ‘deeply personal’ (Birks & Mills, 2011, p. 11) as one goal of the researcher is to develop ‘theoretical sensitivity’, or the ability to allow theory to emerge through insight and intellectual history – the sum of knowledge, experiences and what they have read bought to the task of understanding what the data is saying. This incorporates both the creativity and intellect of the researcher into the project, allowing for richer, deeper theory to emerge (Glaser & Strauss, 1967, pp. 46-47).

**Grounded theory methods**

There is significant discussion among grounded theory theorists over what constitutes the correct method of applying the methodology. Key theorists explored for this project include Glaser & Strauss (1967) and later Strauss & Corbin (2008), Anthony Bryant, Kathy Charmaz and Cheri Ann Hernandez. Of particular interest and utility for this work is the recent work of Melanie Birks and Jane Mills, Australian researchers who have both used grounded theory in their respective PhD work and into their academic careers. Like Glaser & Strauss, Birks & Mills developed grounded theories in medical research, in their case, working with nurses (Birks & Mills, 2011). Their 2011 book *Grounded Theory: A Practical Guide* strongly resonated with my thinking up until that point as it sets out to not only demystify what is an often dense and at times argumentative body of literature around grounded theory, but also to help new researchers to gain skill and confidence in the methods quickly, without forsaking deeper understandings of its pedigree and power to inform. They also bring a contemporary perspective to debates about the methodology and utility of grounded theory, having assessed and integrated four decades of arguments about, and development of, the methodology. They have ultimately produced an
easy to understand but thorough explanation of how to use grounded theory in contemporary research settings.

Birks & Mills identify and acknowledge the researcher as key to the research process from the beginning. Their first ‘task’ is for the researcher to find their place in the research proposed. They ask the researcher to discern a ‘personal philosophical position’, a way of preparing to make reliable methodological decisions, based on knowing what is influencing those decisions – the researcher or the data or a combination of the two interacting in acknowledgeable ways. This is also useful in becoming attuned to creative insights emerging from comparisons of data at the stage of developing ‘theoretical sensitivity’ (more below). This was a useful exercise as it became immediately apparent that my passion for the study was created and defined by my knowledge and experiences and also my understandings and beliefs about what is right and wrong, good and bad. This ‘personal philosophical position’ is written down; made concrete by words and better understood, then put away to be revisited at times of confusion during the project. It was a powerful way to begin focusing on the research project and what was required to make theory, rather than opinion (Birks & Mills, 2011, pp. 1-9).

Put simply, my philosophical position, in relation to this study, that led to me designing this project was developed from my own experiences of the dawn and development of the deregulation of the New Zealand radio environment, as I had experienced both the before and after periods and had seen rapid, and at times, confounding change that had strong impacts on radio workers’ lives and the type of radio being made in New Zealand. The corporatization of radio and ownership changes that lead to local companies being aggregated into multi-nationals running nation-wide networks from centralized ‘hubs’ that were traded between foreign financial entities had real impacts on real people, both workers and audiences, as the promised cornucopia of choice on New Zealand radio that deregulation was supposed to bestow failed to eventuate. Deregulation changed the radio landscape of New Zealand forever, and I would argue, not always in particularly good ways. Living and working through this significant shift in New Zealand’s economic, political, cultural and social consensus and seeing the impact of political ideology (in this case, deregulated markets and *laissez-faire* approaches to all aspects of economic, cultural and social life) first hand has been an important part of my personal academic journey to this point. These elements therefore make me passionate about finding truths in the Kiwi FM story, as it appeals to me as a critical opportunity to explore the outcomes of media deregulation in a focused manner. Acknowledging this early on in the project has helped to develop sensitivity to what is happening in the building of theory from the data gathered for this work.

**Using Grounded Theory**
Birks & Mills then identify nine facets of grounded theory that all of the major theorists broadly agree make up a true grounded theory study. These facets also reflect my own understanding of the method as they all form part of both Glaser & Anslem’s approach as well as being given due prominence in later work on the methodology. Birks & Mills nine elements are listed below along with how they are being used in this research design.

**Concurrent data generation or collection and analysis**

At the core of grounded theory is collecting data and analysing it in order to develop a way of coding that will generate new avenues for data collection. This is a ‘constant comparative’ method which requires the researcher to be comparing captured data continuously in an iterative process that helps the researcher define categories but also determine what other data is needed in order to ‘saturate’ a category enough in order to produce reliable conclusions. This is the ‘grounded’ basis of the approach in action – using data to discover more data to ‘saturate’ the categories of data collected in order to have as much material as possible to code and compare. An initial ‘purposive sample’ is critical here, as it begins the process of data abstraction but also helps early questions and patterns to emerge from data, rather than using the data to test a hypothesis (Birks & Mills, 2011, p. 10). In this research, the initial data collected was previously unreleased government documents about the object of study, Kiwi FM, obtained under the New Zealand Official Information Act (OIA). This initial data pointed to new elements of the story of the radio station that had never been mediated or otherwise explored. This led to questions about who was involved and why they were significant to the story. This pointed to a need to not only explore any other utterances or documentation, either public or unreleased about the subject and, if possible and worthwhile, to interview those key players in the story about their involvement and their thoughts about the subject. I realized that those key players would be somewhat out of and ‘above’ the day-to-day operations of Kiwi FM, as these people had previously been silent or reluctant to talk about Kiwi FM during its most controversial period as studied here, while other players had been very vocal throughout the period in the media and in the government documents I obtained as well. These key players would also have new and in-depth perspectives to bring to the data set, beyond what others had already said in the media or was recorded in company or government documents I had already received and reviewed. I therefore focused on two key people, the former CEO of the company that created Kiwi FM and a strong supporter of the network from a critical government agency who was influential on other government agents during the period. Both became willing to talk about Kiwi FM after several years had passed since the controversies of 2005-2008. These informants feature herein to help to drive the emergence of theoretical elements of the project. There is also other material gathered in this phase of the research from the media and other sources that serve to add more depth to the original analysis and also add complexity to the story overall.
Writing memos

There is virtually universal agreement about the importance of writing ‘memos’ during a grounded theory project. This was central to the original work of Glaser & Strauss (1967) and continues to be so today. Glaser & Strauss instruct the researcher to stop coding data and write a memo of anything salient at the point that the researcher begins to find conflicts when thinking about a particular data coding process. This process of tapping into the ‘initial freshness of theoretical notions’ that the discipline of writing down new discoveries encourages both further abstraction but also archiving of ideas and the actual processes of theory-making, allowing for the development of rich background material that can be revisited as it is needed to progress the project. They also implore the researcher to carry those thoughts through to their most logical conclusion in order to enhance the process of theory making, forcing the researcher to begin theoretically coding the data captured. To this end, memos must be grounded in the data and not speculative, but they should capture that moment of creativity and insight from the data and work through it to the best possible and grounded solution (Glaser & Strauss, 1967, pp. 106-08).

These memos become crucial records of developing theory and also sites of discovery that may vary in coherence, intensity, theory and utility but are the way the ‘intellectual assets’ of the researcher are built, leading to reliable theory and grounded knowledge (Birks & Mills, 2011, p. 10). The process of memoing, organizes and discusses emerging codes and therefore ‘helps the researcher determine which theoretical codes provide the best relational model to integrate substantive theory’ as the memo is the physical manifestation of experimenting with ways to get to a theory built from coding data. In essence memoing ‘forces’ the researcher into theoretically coding the data collected from the early stages of the study, therefore focusing the researcher early on (Hernandez, 2008, p. 57).

In this study, memoing has occurred at every stage, from initial thoughts on research directions, to the initial collection and coding of the documents released under the Official Information Act, interviewing informants, abstracting and writing about the data and developing a core code. I found that from initially writing by hand and later ‘losing’ the essence of the thoughts developed, I began to write in key word and phrases when I felt compelled to stop and write something down quickly and simply before I forgot or confused the thought. This would happen both compulsively and also deliberately; during a coding or writing session, after finishing writing for the day, first thing in the morning or when doing something unrelated and finding a solution to a way to say something in the text seemingly at random. This points to something very powerful in grounded theory approaches – centralizing the role of incomplete thoughts – something that all researchers do, but is not usually acknowledged as critical to the process of discovery. Memoing becomes a way to develop thought,
synergies and abstractions in a concrete way, forcing the researcher to create both a ‘history’ of the process and to habitually concentrate on what key ideas and themes are emerging from the process of developing and completing a project.

**Theoretical sampling**

This is a way of focusing on what initial data collection that has coalesced into early categories is telling the researcher. It is an instructive early foray into the data, led by broad and simple research questions that are designed to improve the research strategy and clarify research goals. By strategically deciding what sources of further data will help to reinforce the emerging narratives in a category, the researcher can then construct the next phase of data collection and memo the early outcomes of comparative analysis as sampled (Birks & Mills, 2011, p. 11). This in turn further focuses the research effort as it now becomes guided by theoretical developments that emerge in the analysis (Punch, 2005, pp. 157-159). At this stage it should be possible to solidify categories for further saturation and also to begin to discard earlier blind ‘dead-ends’ in the researcher’s thinking around the topic.

In this study, an early engagement with the OIA documents on Kiwi FM brought forth several rough categories that the initial data seemed to divide itself into. These were ‘building the story’, ‘direct communications between key players’, ‘government risk management’, ‘internal Ministry for Culture and Heritage thinking’, ‘Ministry for Culture and Heritage & Ministry for Economic Development interactions’, ‘Ministry for Culture and Heritage communications with MediaWorks and Kiwi FM’, ‘Kiwi FM bending/breaking the rules’ and ‘licensing agreements’. Sampling of these initial categories produced coherent thematic strands and subheadings that informed the overall story and began to answer the very early questions I had, which at the most basic level, amounted to ‘Why is the government involved with keeping Kiwi FM on air’? This early theoretical sampling became the bedrock on which this research is built, and is developed in later chapters as data from the OIA documents and interviews chart Kiwi FM people and the government along with key bureaucrats interacting with one another from different positions in order to achieve their own goals. This early coding opened up the data at the level of displaying which people and agencies were working in which directions and for what purposes, a first level of abstraction that had not been created or espoused before this study.

**Constant comparative analysis**

As ‘theoretical coding can occur throughout the grounded theory process’, it is critical to engage in comparing data, codes and categories from the beginning (Hernandez, 2008, p. 54). Memoing is part of this process and also at a deeper level the researcher begins the creative and intellectual enterprise that will lead to integrated theory by the constant comparison of what is being discovered (Birks & Mills,
This is often referred to as an ‘inductive’ process in the literature – the achievement of theory through ‘a cognitive logic of discovery’ that demands abduction by ‘mental leap’, an intellectual and cerebral act that discards the ‘conventional view of things’ in order to make new discoveries (Reichertz, 2007, p. 220, as quoted in Birks & Mills, 2011, p. 11). This process is key to grounded theory as it produces ‘relational models’ of substantive theory that rely on what emerges from analysing the data and following where it leads in a step-by-step manner that makes intellectual sense to the researcher while helping the researcher to avoid getting ‘bogged down in the data through endless illustrations’ (Hernandez, 2008, p. 58), while allowing what is created by constant comparison and the desire to ‘evolve’ theory from data to be ‘rich, complex and dense’, while also being easy to comprehend (Glaser & Strauss, 1967, pp. 30-2). In this study, the data reveals conjunctions between government policy goals, Kiwi FM’s backers, lobbying and the work of bureaucrats to facilitate both, as well as the reflections on two key players who were working on Kiwi FM for the wider purposes that their roles required, while being quite removed from the controversies that these elements of the story generated. In the analysis sections there evolves several noticeable themes from the data concerned with how individuals interacted with each other from different positions of power, how efforts were made to influence and persuade decision makers on both sides of relationship between Kiwi FM and its government benefactors, both directly and through the use of other agents and also how criticism and negativity aimed at the Kiwi FM project were deflected, managed and turned around to enhance its viability and create favourable conditions for its survival. At this stage of the analysis, connections are made between people, policies and practices that were not evident before this study, and show a previously hidden logic in how the Kiwi FM story developed and why it is so unique in New Zealand’s broadcasting history, and also how it was possible in the unique set of circumstances that informs the development and deployment of radio services in New Zealand.

**Theoretical sensitivity**

This element is a core methodological breakthrough from the original work of Glaser and Strauss on the development of grounded theory. This part of the process acknowledges the researcher as an entity and also a ‘conduit’ for the data to emerge into theory. This ‘sensitivity’ is the sum of all of the researcher’s life experiences, previous intellectual history and current work on the project, creating new knowledge that is reliable if the process of using these elements is robust. This process involves the researcher removing preconceptions about the study while developing the ‘ability to have theoretical insight into his area, combined with the ability to make something of his insights’ (Glaser & Strauss, 1967, p. 46). In this way, only the ‘clearly useful’ should be in a grounded theory (Ibid.), devoid of preconceptions but also both informed by and aware of the sum of all the researcher has experienced. The eventual theory should account for this completely. At this stage the researcher becomes immersed
in the data in order to increase their own theoretical sensitivity in order to improve the analysis (Birks & Mills, 2011, p. 11). This process is deliberate, creative and pragmatic and critical to the utility of grounded theory in that is concerned with discovering concepts, hypotheses and ultimately, theories (Punch, 2005, pp 158-160). The analysis at this level of the data produced during this study shows in commentary around certain critical points in the story, such as when advocates for Kiwi FM try to build a support base of well-known individuals and institutions in order to convince government officials of the network’s worth, when bureaucrats become intimately involved with the construction of arguments for the network’s existence and when commitments made by the network to the government fail to materialize. Here I am expressing, through the lens of significant experience in the commercial radio industry along with deep interest in the Kiwi FM story since its inception in 2005, alongside many hours of work with the data and writing up this study, concrete examples of underlying tensions and truths that were not at all obvious before combining these things. The data, in abstraction and in being ‘opened up’ is revealing relationships and critical factors in the story that can’t be seen from ‘outside’ the data set and have not been examined before in public proclamations or discussions of Kiwi FM. Here also, insights begin to emerge about the New Zealand radio environment as a system unique to its situation, as the re-organisation of the data coalesces into meaningful groups of related themes.

Intermediate coding

Intermediate coding is a deliberate effort to begin solidifying the researcher’s discoveries into more substantive theory. This is a strategy to push the research towards identifying a core category – the highest level of conceptual analysis and the final pathway to generating theory. Early analysis with data in the grounded theory process is said to be ‘open coding’ a process designed to ‘fracture’ the data by pulling it apart and removing preconceptions and ‘received truths’ about the topic while concurrently beginning to categorize and interrogate the data for emerging meanings (Hernandez, 2008, p. 54, Birks & Mills, 2011, p. 12). Intermediate coding is designed to ‘reconnect’ the data in a way that is conceptually more abstract than a purely thematic analysis (Birks & Mills, 2011, p. 12). Glaser (1978) called this process ‘theoretical coding’ – a step beyond the analysis of the process ‘opening up’ the data. Strauss and Corbin (1990) took this process in another direction by developing ‘axial coding’, a system for relating abstracted concepts in the data once it has been openly-coded. Both processes are concerned with discovering previously unseen connections in the data at the abstract level, creating abstract theory that is reliant on inductive engagement with the data (Punch, 2005, pp. 209-13). Here, the process of abstraction is to generate higher order conceptualizations about the meaning being coded from the fractured data with those meanings coalescing towards the development of the highest-order concept, or the ‘core category’.
Here I postulate with some certainty about what is happening, as different players negotiate carefully around what are expectations and what are realities in their relationships. These comments are designed to open out in more depth what is driving different interactions and reactions across those involved in the Kiwi FM story, as codes emerge from connections becoming evident at this stage. Here I point to the importance of personal relationships, finding and cultivating key bureaucrats, using individuals and institutions with cultural cache to advance a position with government agencies, careful avoidance of critical issues and timings and relating positions to stated government goals as crucial to getting things done in the environment Kiwi FM operated in. These new codes are substantially different from the original coding of the ‘Theoretical Sampling’ stage of the grounded theory process – having been developed solely from the ‘cracking open’ of the data combined with the positioning of my knowledge and interest in the story correctly when reassembling the data in light of new information being generated in the ‘Constant Comparison’ stage and with the development of ‘Theoretical Sensitivity’ towards what is emerging from these processes. At this stage the data is ready to be integrated into on a core category from which a theory of what the Kiwi FM story reveals about New Zealand radio that has clear explanatory power can emerge.

**Identifying a core category**

The ultimate goal of intermediate coding is to exhaust the avenues for data abstraction and to lead to the creation of a final and conclusive category that contains all of the ‘clearly useful’ connections as a whole. The final category that then emerges as coherent and integrated is built from this high level abstraction and reconnection of the data in new ways that can produce the grounded theory (ibid, pp. 209-16). It is in identifying a core category that conceptual models of the relationships of the core category to other non-core categories can give the theory generated its substantive and explanatory power (Hernandez, 2008, p. 58). It is here that the researcher has acknowledged the saturation of all the sub-categories as well as the core category and can concentrate on highly abstract coding and actualizing of the core category in order to generate theory. At this stage, the researcher acknowledges the end of the intermediate coding as possibilities for further reconnection of the fractured data dwindle and a new level of overall coherence is perceived (Birks & Mills, 2011, p. 12). This core category then becomes the instrument for producing the final, and ‘grounded’, theory.

**Advanced coding and theoretical integration**

Theoretical integration then becomes a process of advanced coding – a final and conclusive abstraction and high level coding of the core category and all its sub-categories. As the relational models become clear and the ability to produce explanations grounded in the data becomes apparent, connections between the highest order of data abstractions become solid and clear. Beyond the specific
indicators of a phenomena and the abstract concepts they produce in analysing the data, further abstraction based in the core category conceptualizations will reveal a process, or a model or previously unknown or unseen ‘truth’(Punch, 2005, pp. 209-15). At this point it should be possible to acknowledge the end of the abstraction process and produce theory with explanatory power (Birks & Mills, 2011, p. 12). At this point the researcher has induced meaning and theory from the data, has conceptualized it and induced substantive theory that can be easily comprehended (Glaser & Strauss, 1967, p. 32). The researcher can now generate theory. The theory generated during this study of Kiwi FM is discussed in the final chapter.

**Generating theory**

This is the final and comprehensive and complex theory, grounded in the data but also understandable to others. It is produced by the researcher who is ‘forced to develop ideas on a level of generality higher in conceptual abstraction that the qualitative material being analysed’ Glaser & Strauss, 1967, p. 114). It explains the process or scheme studied and is focused on the data generated and is ‘condensed, abstract and selective’ (Punch, 2005, p. 215), which ultimately explains the phenomena reliably.

**Kiwi FM as a case study to generate data for a grounded theory**

From the very early stages of this study, it became obvious that a case study would be a unique and powerful way to interrogate the outcomes of deregulation of the New Zealand radio market. This was for several reasons. One was the fact that it had not been done before, as studies of this particular phenomena had been macro-focused in scope – revealing the larger dynamics of corporate and political manoeuvrings and the perceived downgrading of public discourse that rampant commercialization due to deregulation has produced over the last three decades (Cocker, 1992, 2006, Duignan & Shanahan, 2005, Rosenberg, 2008, Rosenberg & Mollgaard, 2010). These studies are useful, informative and necessary; threading political economy, cultural and historical perspectives through the study of the deregulation of radio in New Zealand. These broader structural critiques serve to set the background to closer inspection of deregulation by way of using case studies, focusing on smaller sections of the phenomena in order to reveal more nuanced insights.

Another reason that the use of a case study was chosen was the rich textual material available under New Zealand’s relatively liberal Official Information Act (1982). Apart from restrictions on information that can be released around national security, maintenance of the law, trade secrets, public health and safety, individual privacy and commercial sensitivity and the effective conduct of government affairs (all of which are appealable) the Act compels government Ministers and agencies to provide information
when ‘it is desirable, in the public interest, to make that information available’ (OIA Section 28 [1]). In practice, this means that the information available for release cannot be unduly withheld and includes – but is not limited to – Cabinet papers, emails, transcriptions of meetings, official correspondence, intradepartmental communications, letters and other communications from the public or business to and from Ministers and departments as well as Ministers notes, advice from officials and other advisors. This is an extremely rich source of information on which to build a grounded theory case study as it provides copious amounts of data-rich documentation at an early stage. For this study, around 300 pages of official information were supplied about Kiwi FM by way of three separate requests under the OIA - a very broad but also significantly detailed foundation to the study from which to build categories and begin theoretical sampling.

Finally, a case study was chosen for this study as it is seen by scholars of social science research methodologies as an appropriate method to combine with grounded theory. Robert Yin argues that grounded theory can be very useful as a way of generating knowledge from a case study when ‘no particular prior theory appears relevant or is explicable’, as is the case of the New Zealand radio market, which has never been replicated in another comparable market (Yin, 1993, p. 62). Max Travers sees the utility of grounded theory combined with case study research as a ‘response to the standard charge made by quantitative researchers that ethnographic enquiry is ‘impressionistic’ or ‘anecdotal’ (Travers, 2001, p. 43). Bruce L. Berg argues that case study research is ‘an approach capable of examining simple or complex phenomenon […] it entails using a variety of lines of action in its data gathering segments’ (Berg, 2007, p. 283). He also points to the work of grounded theory experts Kathleen Eisenhardt and Walter Fernandez, who argue that case studies to build grounded theory is an approach that has three major strengths; that juxtapositional and paradoxical evidence produces creative insights and forces new thinking; that the close connections between the data and theory generated from it should be easy to test in subsequent studies in the same area and ultimately that the theory developed will be valid, as it is empirically stringent and thoroughly based in reality with a high level of validation achievable through the constant comparative method of grounded theory (Fernandez 2005 p. 47, Eisenhardt 1989 pp. 546-47, Berg, 2007, pp. 285-86).
Chapter Four

Kiwi FM: Beginnings and early debates

New Zealand radio and New Zealand music: A ‘voluntary’ quota

In 2002 the New Zealand commercial radio industry universally adopted a ‘voluntary New Zealand music quota’. After 20 years of tension over the lack of New Zealand content on the radio, the commercial radio industry as a whole accepted the Radio Broadcasters Association (RBA)\(^{21}\) brokered agreement to increase the amount of locally made music incrementally to meet a 20 per cent average by the end of 2006. While this seems generous and even altruistic of the industry, the deal was negotiated under government pressure to come up with a solution to the Labour government’s stated desire to drive the local music industry to greater visibility and profitability at home and abroad (Shuker & Pickering, 1994, pp. 269-74). The industry was told to find a way to increase the amount of New Zealand music on the radio or be given a legislative edict (Neill, 2005, p. 153-63). While decrying state interference in private commerce, the industry realized that the Labour government, whose leader was the Minister for Culture and Heritage (MCH)\(^{22}\), looked increasingly prepared to go to Parliament and push through a law that could begin a new age of state interference in private broadcasting. Additionally, this was aimed at introducing more publicly funded competition for commercial radio in the form of a ‘Youth Radio Network’ (see below), that would target a key audience sector for commercial radio in the 10-25 year olds (ibid., pp. 160-66).

The deal was struck. Since radio stations report to an independent company which then tallies an overall figure for radio month by month as well as a yearly figure it can be proven New Zealand broadcasters are now playing around 20 per cent local music as a total industry figure. The quota has caused a boom in the New Zealand music industry. government funding through New Zealand on Air of local music tailored for commercial airplay has contributed to a new, prosperous and creative era in New Zealand music (Neill, 2005, pp. 153-74 & Shuker, 2001, pp. 78-81).

\(^{21}\) The Radio Broadcasters Association is the commercial radio industry lobby group which engages government on matters of interest to commercial broadcasters such as advertising restrictions, spectrum planning and broadcasting standards.

\(^{22}\) The Ministry for Culture and Heritage is responsible for sport and recreation, preservation of historical material, sites and artefacts, broadcasting, the arts, film, cultural archives and many other broadly ‘cultural and historic’ activities. For a comprehensive overview of the Ministry see: http://www.mch.govt.nz/what-we-do
A ‘Youth Radio Network’: Challenging the commercial consensus

The voluntary quota system was also integral to an ongoing issue that faced the commercial industry – a publicly funded, commercial free Youth Radio Network (YRN), which seems to have been understood within the industry as a New Zealand music network (Neill, 2005, p. 162). The YRN was first mooted in the mid-90s by the both the centre-right National and centre-left Labour parties, both perhaps desperate for new, younger voters. Naturally, the commercial industry (now moving from the consolidation period to the concentration period) was extremely concerned about the impact of a state sponsored competitor on its lucrative youth networks23 (ibid.). This galvanized the industry, forcing them to prepare a strategy designed to discourage the public and the government from pursuing the idea further.

The original YRN political pledges were deliberately vague. This relieved political parties of the need for definitive policy while generating a feel-good factor leading up to elections.24 The idea seemed to have lost any momentum by the late 1990s, much to the relief of the commercial radio industry. However, in the early 2000s the idea resurfaced with surprising strength, driven by an enthusiastic and articulate group of broadcasters, academics and musicians including a fervent advocate in New Zealand music icon Neil Finn of the internationally renowned band Crowded House (Chunn, M & B, 2012). The commercial radio industry reacted at first by threatening to shelve the consensus around the voluntary quota (Neill, 2005, p. 162) and through the RBA which published a firm retort to Finn and his supporters in the national daily New Zealand Herald, arguing that the commercial Youth Radio Networks and targeted funding from New Zealand on Air were already providing more than enough services to youth and were also better placed to attract the large audiences that the YRN would struggle to achieve as an expensive, broadly formatted, one-channel start-up (Innis, 2002).

As the YRN idea gathered more momentum in the mass media and in youth forums such as music magazines, television shows and internet chat rooms, the RBA began a campaign to discredit the idea. The strategy was simple and direct, focusing on four main elements:

23According to the New Zealand Advertising Standards Authority, commercial radio had a revenue turnover of $267 million in 2013. As around 33 per cent of commercial radio listening is to radio networks with core audiences in the 10-25 demographic, a third of this figure, or $89 million is not an unreasonable assumption for the revenue generated by these networks. This is a large amount of money for a relatively small economy such as New Zealand’s.
http://www.aaa.co.nz/industry_turnover/Advertising%20Industry%20Turnover%20Table%20and%20Notes%202013.pdf

24 One influential media commentator, Russell Brown, described the major party policies thus: ‘On the issue of the widely touted youth radio network, it seems to me that most people have missed the point that whether it’s made by National, Labour or the Alliance, it’s a cheap and somewhat empty promise. Russell Brown, Hard News, 2 October 1999, http://www.scoop.co.nz/stories/HL9910/S00004.htm
• To discredit the YRN as a waste of taxpayers’ money;

• To characterize it as a plaything for ‘lefties’ and ‘social-engineers’;

• To highlight the altruism of the voluntary quota; and

• To promote the commercial youth networks as already doing the job, better.


It was a very effective strategy. The YRN had again retreated from public discourse by 2003 and is now off the policy agenda of any political party. A critical argument against the YRN idea was to be Kiwi FM.

**All New Zealand music all the time: Kiwi FM**

Kiwi FM is a radio network broadcasting in New Zealand’s three biggest cities, Auckland, Wellington and Christchurch, originally set up by the international media company CanWest, owner of the New Zealand subsidiary MediaWorks [sic], which in turn ran a suite of nationally networked commercial radio formats under its CanWest [sic] moniker25. As the name suggests, the network was originally launched promising to play only music made by New Zealand artists. Its original on-air line-up included well-known New Zealand musicians, and the doyenne of New Zealand music promotion – Karen Hay, a former television music show host who has spent 15 years publicly campaigning on the need for more New Zealand music on the radio.26 It was touted by the Prime Minister and by CanWest executives as the ultimate realization of the drive to create a sustainable, professional and commercially viable local music scene in New Zealand, provided by the commercial radio industry (Clark, 2005, Impey, 2005).

Kiwi FM was launched with much fanfare on New Zealand’s national day, Waitangi Day, on 6 February 2005. This was one week before the first bi-annual ratings sweeps for the major commercial radio markets. It replaced the ailing CanWest alternative music network *Channel Z*, which had suffered from low ratings for two years, because of competitive pressure in the crowded youth radio market in

25 A note on nomenclature. I will refer to CanWest for the period from 2005 until mid-2007, when the company was sold to a private equity partnership and began using MediaWorks as its corporate name, when discussing the companies which owned and operated Kiwi FM during the period studied. This is for clarity and consistency, as the documents studied here usually refer to CanWest pre-the buyout, then MediaWorks from late 2007, rather than the business unit Kiwi FM is actually part of, RadioWorks.

26 For example, Hay was able to collect 200, 000 signatures for a 1986 petition calling for a 10 per cent New Zealand music quota on all radio stations to be made law. (Neill, 2005, p. 155).
which alternative music attracted a relatively small and not particularly lucrative audience (NZ Musician, 2005). Present at the launch were journalists, pop stars, record executives, media figures, bureaucrats and politicians, including the Prime Minister Helen Clark. It was promoted by Clark as a triumph of Labour’s political agenda, with business and cultural policy objectives reaching new heights of synergy to propel New Zealand arts and commerce forward into a cooperative new future.

In a segment for television arts programme Front Seat, Neil Finn expressed his suspicions of CanWest’s motives, intimating that it was designed to forestall further work on the YRN and that multinational companies were not really inclined to promote local music. Brent Impey, CEO of CanWest, was asked if Kiwi FM was designed to finally sink the YRN. He replied by saying that the YRN would be a complete waste of taxpayer money and that the commercial industry already supplied enough youth programming. He also said ‘if one of the justifications for having a Youth Radio Network is New Zealand music, then that justification is gone’ (Impey, 2005). The Prime Minister added later in the same segment that ‘it [the YRN] was looked at, it was never committed to and personally I’m glad to see this initiative because it’s what we all hoped for from the promotion of Kiwi music across all the radio stations (Clark, 2005).

Seven weeks later Kiwi FM had been through its first commercial radio survey (albeit with only a short period on-air), dropping below the margin of error. This meant it had eroded one whole ratings point from Channel Z’s supposedly untenable 1.6 per cent, to become insignificant in Auckland on 0.6 per cent (margin of error plus/minus 1.7 per cent). Kiwi FM had fared slightly better in Christchurch (1.1 per cent) but no better in Wellington on 0.6 per cent (Research International Survey of Commercial Radio Listening, T1, 2005).

The seemingly generous and apparently spontaneous addition of Kiwi FM to the airwaves by a major multi-national company raised suspicions in the media, among academics and even some New Zealand musicians. Kiwi FM had the effect of re-igniting debate about the New Zealand music industry and about the YRN.

An article in the national weekly newspaper the Sunday Star Times focused on Kiwi FM’s sustainability with such low ratings, and CanWest’s motives in starting it in the first place (Smithies, 2005). Programme directors from student radio stations, traditional cradles of New Zealand music, were particularly vocal about the station, blatantly criticizing CanWest’s motives as commercial and self-serving in the article. Their concerns included suspicions that the station was designed to show that a New Zealand music station, commercial or not, would fail therefore sealing the fate of the YRN. Further, they suspected that CanWest was trying to avoid ‘cannibalizing’ its own audience by creating a new niche to exploit at
the expense of student radio (ibid.). Another concern was the loss of income from contestable grants available through NZOA to promote New Zealand music with a new player in the mix, a situation later confirmed by NZOA in a CanWest proposal to government, detailed below (CanWest, 2006).

**Kiwi FM vs. the Youth Radio Network**

It is evident that Kiwi FM was not and is not a substitute for the YRN. Firstly, it is not nationwide, with the potential to reach only about half of the population. Those promoting the YRN envisaged a channel available to all young people in New Zealand, in every small town and every big city. It was conceived as a conduit for the voices, experiences and aspirations of all young people in New Zealand. Importantly, the YRN was never thought of as an exclusively New Zealand music network. Instead, it was meant to reflect the diverse musical tastes of New Zealand youth, whether that music was generated locally or overseas (Chunn, M & B, 2012).

The YRN was also imagined as having significant youth input from all over the country, not an Auckland-based network with mainly Auckland content, aired by people who were not young people themselves. And critically, it was meant to be a place free of corporate speech and consumer ideology. It was to be – first and foremost – commercial free. None of these things apply to Kiwi FM (ibid.).

**Kiwi FM as a unique case study**

The New Zealand media market presents some unique conundrums as an environment created by neo-liberal policies that have somewhat conversely created the conditions for government intervention into areas of the market which are considered to be failing, such as a lack of local content as well as outlets willing or able to carry it in such a commercially focused market. While the more regulated markets such as in Australia and the United Kingdom have been better able to balance commercial broadcasting with support for local content and public broadcasting as an essential part of the national media mix, New Zealand’s significant deregulation has led to a narrowing of formats into the most commercially viable and this in turn has meant a focus on globally successful content over locally made content, which may be worthwhile as made in and reflective of New Zealand, but may be less attractive to audiences (and advertisers) and therefore a risk to the profitability of a company.

The freedom and flexibility afforded to radio companies in New Zealand post-deregulation allows them to operate with a tight focus on profits and no legal requirements to carry, promote or even encourage the creation of local content. This means incentives from government have been critical to drive these companies to include locally made content in their formats. It has also meant that any challenge to the status quo from government (as the YRN seemed to be) would be strongly opposed by
commercial interests, utilizing the tools and market positions they had developed over the years of market liberalization. In many ways, the YRN opened up a new era of government intervention in the market that would benefit the commercial broadcasters while not addressing the lack of public service broadcasting for young people in New Zealand.

This is why Kiwi FM is interesting on many levels, including the motivations for its birth. A combination of factors and personalities are at the core of the Kiwi FM experiment, meaning the network was born for complex reasons. These factors were:

• The poor performance of Channel Z over a long period. The need to change the format of Channel Z was a performance decision taken in a competitive marketplace (Impey, Personal Communication., 2013);

• The very real possibility of generating income by applying for funding to make music radio shows that fit the criteria for funding by NZOA (ibid.);

• A strong personality in the former Channel Z and incumbent Kiwi FM Programme Director, Grant Hislop, who has been involved in the management of major New Zealand bands for many years and who bought his passion for New Zealand music to the decision-making process;27

• The willingness of CanWest management to accept and implement an attractive business plan, presented by a passionate advocate for it; and

• The underlying political advantages for the commercial radio sector (and in particular CanWest) of a radio station that seems to be doing what the YRN was supposedly about.

These factors, to varying degrees, created an environment in which Kiwi FM could be launched. Hislop was able to convince CanWest management to try the Kiwi FM plan, as it was more attractive than the other options on the table at the time and came with some extra potential advantages.

The business plan included some significant cost cutting from Channel Z by making staff redundant, the possibility of using enthusiastic volunteers and a focus on clients who align themselves with nationalistic sentiments and the chance of a positive reception from patriotic New Zealand audiences. The attempt to capture audiences by creating a ‘national’ music format has been a relative failure, reflected in poor ratings and unsustainable advertising income, leading to a format change to add

27 Grant Hislop has been the owner of a record label (Hark), a recording studio and a Warner Music (NZ) representative. He is also an accomplished musician and managed two of New Zealand’s most popular top 40 bands, Goodshirt and Pluto.
international music to the mix in 2012. There was also a plan to generate income from NZOA, as CanWest did when it started a music television channel in 2003 with a cash injection of $500,000 from the agency in return for television exposure of New Zealand artists (NZOA, 2003). This has turned out to be a beneficial strategy, as between 2005 and 2015 Kiwi FM has received $2,145,000 in NZOA grants to broadcast live music features, for specialist genre-specific shows and in a highly unusual move for NZOA, for non-specific ‘radio shows – 40 x 990 minutes’ (NZOA, 2005-2015).

Significantly, Kiwi FM created a win-win situation for CanWest (and by extension, the commercial radio industry). If it proved to be successful at generating reasonable income by opening up new markets, it had worked. By seeming to act in concert with the government’s programme for New Zealand music it was politically beneficial to CanWest, perhaps facilitating better outcomes on other points of contention such as renewing spectrum leases on expiry in 2011. If it proved to be unsuccessful and was replaced by a more lucrative format, then dedicated New Zealand music programming (and by association the YRN) would appear to be doomed to failure, strengthening the commercial radio sector’s argument that the YRN idea should be abandoned altogether. CanWest management made a prudent and calculated business decision to develop and protect its market position by creating Kiwi FM and exploiting the potential opportunities it offered (Impey, Personal Communication, 2013). CanWest was able to tap into Scott and Craig’s ‘promotional state after neoliberalism’ (Scott & Craig, 2012), but in a deeper sense, was able to define Kiwi FM as part of the Clark Labour government’s ‘third-way’ vision for the creative industries. By capitalizing on the zeitgeist of celebration around New Zealand music as a national, cultural and economic force in governmental and public discourses in order to further its own market strategies and revenue streams.

Overall, it is fair to argue that Kiwi FM began life as an attempt by CanWest to market New Zealand culture to New Zealanders, create a platform for generating NZOA funding and to enhance CanWest’s market position in the three main New Zealand metropolitan centres (Impey, Personal Communication, 2013). It can also be seen as a reaction to arguments about the proposed YRN, while not being anything like the YRN’s proposed structure, purpose or format. It was also a potential political tool that benefited CanWest and the commercial radio industry. The argument was that Kiwi FM would succeed or fail with a combination of political usefulness and its ability to generate enough revenue.

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28 Kiwi FM changed its music mix to a 60/40 national/international mix in early 2012, citing poor ratings and the inability to make a commercial profit from the station. This is discussed in further detail in a later section. For a brief introduction to the 2012 changes see: http://www.3news.co.nz/Kiwi-music-industry-no-longer-props-up-Kiwi-FM/tabid/418/articleID/243542/Default.aspx#.UpPuWOKc2So

29 CanWest negotiated a relatively cheap $40 million 20-year lease from 2011 for the 100s of frequencies it held at the time of relicensing. This compares to one CanWest spectrum lease purchase in Auckland in 2009 of $6.5 million for 20 years. New Zealand Herald, 18 October 2005, C1.
This chapter has explored the early phase of the conception of Kiwi FM, against the background of government attempts to intervene in the radio market by enhancing public radio services for young people in New Zealand as well as improving the market for local music – two quite distinct, but eventually intertwined elements of government interventions in the market during this period. Rather than the YRN juxtaposing the benefits of commercial-free public broadcasting for young people with the downsides of the profit-driven commercial sector, Kiwi FM became an alternative to the YRN and also became part of a solution to concerns about the lack of local content on the radio. The next phase of the Kiwi FM story examines how CanWest was able to align its interests with government policy when Kiwi FM reached the point that it was no longer commercially useful enough, especially to run as a fully ‘private’ enterprise. However, Kiwi FM was still a passion of Karen Hay’s, (as well as employing her and her partner on the breakfast show), and also useful for CanWest beyond the failed commercial experiment, so a new and historically unique attempt to keep Kiwi FM on air would begin in late 2005. The following chapter focuses on how CanWest was able to reposition Kiwi FM within wider government policy objectives, and ultimately keep the station on-air at a fraction of the costs of any other network, while also benefiting from significant government funding to run it.
Chapter Five

Kiwi FM phase two: From commercial failure to government partner

My thesis focuses on this early period in order to tease out a grounded theory from the rather extraordinary situation of a government granting a multi-national media company free frequencies, worth millions of dollars in leasing fees\(^{30}\), in order to keep a failed commercial radio station on the air, allegedly because it played 100 per cent ‘national’ music. The data gathered in the early phases of this research is ‘cracked open’ and examined here in order to reveal previously unseen connections, themes and codes so as to develop grounded theory from Kiwi FM as a unique phenomenon, particular to the New Zealand radio environment and as a way to create meaning about the wider New Zealand radio experience since deregulation. This chapter focuses on the individuals, institutions and situations surrounding the establishment of Kiwi FM on free government-owned frequencies reserved for the Youth Radio Network and its relationships with government Ministers and institutions, key music industry players as well as the emergence of a new and unique model for Kiwi FM as an extension of both its corporate owner/operator and government policies for enhancing and expanding the New Zealand music industries as economic and cultural benefits for New Zealanders.

A little over a year after Kiwi FM launched it was clear that it could not attract a large enough commercially viable audience. This marks the end of phase one and the start of phase two. After three separate six-week audience ratings survey periods, the network had failed to generate audiences above the mid-40,000s\(^{31}\) nationwide and was unable to secure sustainable support from advertising clients. At this point, the founder Grant Hislop quietly left the network and was replaced as manager by Karen Hay, who along with senior CanWest executives, began to create a strategy to convince the government to grant temporary and free spectrum leases to Kiwi FM. This was because CanWest had decided to use its current frequencies for other, more profitable purposes.

\(^{30}\) I have estimated the value of lost lease fees for the three frequencies Kiwi FM occupies at around $8.5 to $10 million for a 20-year lease, based on prices achieved at contemporaneous New Zealand government auctions of metropolitan spectrum leases between 2003 and 2009. [http://www.rsm.govt.nz/cms/licencees/spectrum-auctions](http://www.rsm.govt.nz/cms/licencees/spectrum-auctions)

\(^{31}\) According to Research International commercial radio ratings surveys in the second half of 2005 and in early 2006 showed audience numbers as still negligible and well below the margin for error (of circa 1.7 per cent) in all three metropolitan markets.
This was critical. CanWest began to formulate a strategy to bring their most successful youth brand ‘The Edge’, (a network targeting 15-30 year olds) to Auckland, which would complete the network’s coverage of New Zealand’s main towns and cities and significantly increase the potential audience and revenue. As there was no further radio spectrum available for distribution by auction, (the usual method for releasing spectrum for commercial broadcasting), CanWest needed to move The Edge onto an existing frequency in Auckland. The failure of Kiwi FM in terms of audience and revenue meant that the valuable Auckland frequency was being under-utilized. However, having built the Kiwi FM brand, a small but loyal following, as well as generating NZOA grants and creating a favourable environment with government through the network’s support of government goals for local music, CanWest was willing to try a strategy to engage the government further to keep it on air. Brent Impey described CanWest’s thinking at the time and the approach to the government to get free frequencies for Kiwi FM:

A lot of it was driven by the fact that if we could get The Edge in Auckland we’d get a big commercial gain and that’s proven in this case. It is a runaway truck … we saw an opportunity to utilize 93.8 for something else and secondly to move Kiwi to those frequencies where we gained another commercial advantage, namely that we wouldn’t have to pay for the frequency … So it made commercial sense for us because we could come up with a viable option but also we could release those frequencies for the Edge. (Impey, Personal Communication, 2012)

From this point on, Kiwi FM could only exist if it was given frequencies and some kind of public or government financial support, otherwise it was not commercially viable. Impey puts that in perspective: ‘The revenue targets were $40,000 a month, so we’re talking less than half a million bucks’ (a year) and that ‘Kiwi never made a profit’. Further, he disclosed that ‘it probably lost between fifty and a hundred grand every year’, an unsustainable situation for any commercial enterprise (ibid.). Without government support it is very likely the network would have disappeared from the airwaves.

**CanWest proposes a partnership with government**

In December 2005 the first attempt to engage government in order to preserve the network began. This was an attempt to get free frequencies and ‘direct government funding’. Crucially, this was less than a year into the Kiwi FM “experiment”. The CanWest proposal *A New Model for Kiwi FM 100% New Zealand Music* begins by presenting the stations’ financial position, acknowledging a small loss, then attempts to convince The Labour government’s Minister for Broadcasting, Steve Maharey, to use

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32 All figures have been removed under part 9 [2] [b] [ii] of the Official Information Act.
33 Steve Maharey was a member of the Helen Clark-led Labour government for nine years and spent a total of eighteen years in Parliament as elected Member for Palmerston North. Maharey came to Parliament from academia, having lectured in Sociology. Maharey held several posts during his tenure in government, including Minister for Social Development and Employment, Associate Minister of Education (Responsible for Tertiary Education) and Minister for Child, Youth and Family. He is now Vice Chancellor of Massey University, New Zealand. [http://www.massey.ac.nz/massey/about-massey/university-management/vice-chancellor/biography-vice-chancellor-steve-maharey.cfm](http://www.massey.ac.nz/massey/about-massey/university-management/vice-chancellor/biography-vice-chancellor-steve-maharey.cfm)
taxpayer funding ‘akin to the New Zealand on Air funding for local programming on television’ to provide ‘capital grants’ for transmission costs for an extension from the three metro markets into 13 markets nationwide, studio costs and building costs as well as ‘on-going operating grants from New Zealand on Air … to produce 77.5 hours of specialist programming per week’ which would be ‘supplemented by advertising revenue’ (CanWest, 2005, p. 5). This request for unprecedented direct funding of commercial broadcasting operations, including paying for plant and ground rent comes after going through and discounting four options for Kiwi FM – the commercial model, becoming part of radio New Zealand, selling it into a trust to operate as a not-for-profit and closing it down. CanWest ultimately argues that funding Kiwi FM directly would fulfil NZOA’s stated goals of getting more New Zealand music on the radio and to ‘exploit opportunities to promote diversity in New Zealand music so that those making music outside the commercial mainstream are also heard’ (ibid., p. 4). In addition, this proposal is explicit in requesting the YRN frequencies, saying ‘the government could assign the national frequency reserved for Youth Radio Network for a term of, say, three to five years, whereupon the agreement could be reviewed’ (ibid., p.5).

It is clear in this proposal that CanWest wanted to keep Kiwi FM as a ‘commercial’ format. In discounting moving Kiwi FM to be part of Radio New Zealand, the following justifications as to why ‘we don’t think this would be an appropriate model’:

RNZ is non-commercial and it is more advantageous for the artists themselves to have their music marketed within a commercial framework. Also, we don’t feel the ‘culture’ surrounding young musicians would fit this model (CanWest, 2005, p. 4).

These are quite remarkable and unsubstantiated claims that are in stark contradiction to what CanWest would ultimately propose for Kiwi FM. They can also be read as part of a campaign in opposition to a publicly funded, non-commercial Youth Radio Network, arguing on behalf of ‘artists’ and ‘young musicians’ that only commercial environments can properly ‘market’ their music. There is a crude distinction being argued here between ‘young people’, who are part of a culture that is saturated with commercial elements and market forces, and ‘everyone else’, who can choose between this commercial environment and public broadcasting. This is an attempt to argue against public broadcasting services for young people as out of touch with reality, while promoting commercial broadcasting as the only viable platform for successful New Zealand music interventions. The argument offers no proof or evidence to support these claims and is also notably condescending to the young people it claims to represent in speaking for them from a commercial industry point of view only. Thematically, this proposal is, at a coarse level, a commercial substitute for the Youth Radio Network, even if only for ‘three to five years’ (ibid., p.5).
It is an audacious proposal, peppered with the language and aspirations of Labour policy goals around cooperation with industries around New Zealand music. However, after giving the proposal ‘a considerable amount of thought, and while I applaud the energy work [sic] that has gone into Kiwi FM’, Maharey declines the proposal for the government to provide funding for the network (Maharey, 2006). However, his response does offer a concession in that policy advice had been requested ‘on the concept of government supporting an industry operated and funded network through the provision of spectrum’ (ibid.). This advice was to include ‘what conditions would be considered should the music industry be interested in self-funding the network’ (ibid.). Maharey also noted that ‘you have approached Ministry of Economic Development [sic] for temporary use of a frequency in the Upper FM Band for a period of 12 months’ and the Ministry would ‘advise you as quickly as possible’ about the application. It seems that Impey had tried a two-pronged strategy here, lobbying the Minister directly and inferring that the new Kiwi FM would be a ‘music industry’ venture, rather than a CanWest one, while also applying for temporary usage of an un-assigned frequency to another Ministry, presumably in order to both show determination to move forward and to also cover all possibilities for getting new frequencies for the network.

That Impey approached MED is understandable from a functional point of view in that it was the Ministry that was in charge of spectrum. However, the approach to Maharey is interesting and informative in that it affords some insight into the process of policy-making in New Zealand, particularly around broadcasting. This kind of access to Ministers is part of a wider theme that develops throughout the Kiwi FM story, as what might be best understood as ‘privileged’ and private conversations and meetings are used to both ‘get the ball rolling’, and keep it moving during the period I am studying. This particular meeting was successful for Impey in that it started the Labour government thinking about how the proposal might work for its own agenda in connecting with music as a core part of its emerging strategy around supporting the arts to generate more income locally and internationally. This attempt to reinvigorate ‘Brand New Zealand’ is analogous with the ‘Cool Britannia’ of Tony Blair’s contemporaneous third-way politics and the attempts to integrate the interests of government, business and the cultural sector into a more meaningful and more profitable promoter of creative outputs, that also reinforced the distinctness of the country they came were made in. Impey had understood the political environment well, pinpointing a particular policy conundrum the Minister was grappling with that could be exploited for CanWest’s benefit, if handled well: Impey sees this as essential to the way business is done in New Zealand in that ‘If there is a government policy objective in this area, in the area of music, to promote New Zealand music, we’re gonna do it’ (Impey, Personal Communication, 2012).
In order to effectively engage with government then, Impey argues it is necessary to elevate discussions to the top of the decision chain, avoiding bureaucrats and if possible, using the power and status of the particular industry that stands to benefit in order to gain access and influence:

Lobbying was really done essentially at government Minister level. There’s never really been a broadcasting department so going through officials is generally of more limited success in this area. Also, because politicians are so media-savvy, you can get a better result if you go and see them instead of, say, if you were running, I don’t know, the waste industry … This is New Zealand, it’s not just broadcasting, it helps everywhere. (Impey, Personal Communication, 2012)

CanWest refined its strategy after the initial attempt to secure new frequencies and bulk funding for Kiwi FM failed. After Steve Maharey had referred the Kiwi FM proposal to Murray Costello, Acting Chief of the Ministry for Culture and Heritage (MCH), the MCH contacted Karyn Hay to discuss it further (Costello, 2006). Key points in the conversation included a promise that a Kiwi FM on free spectrum ‘reserved for the YRN’ would be operated by CanWest, operating costs would be reduced and the ‘77.5 hours a week of specialist shows’ could be funded by a NZOA grant of $240,000, allowing Kiwi FM to ‘balance out … an extremely tight budget’ with advertising to see if ‘Kiwi can stand on its own two feet’ (Hay, 2006). Further discussions happened throughout January and February with both Costello and Steve Maharey’s advisor on broadcasting, Philippa Bowron, who appears for the first time as copied into two discussions about the development of a proposal to Maharey on 25 and 27 of February (Hay, 2006). Bowron plays quite a significant role as the Kiwi FM story develops from here on in.

**Selling the vision: Getting the bureaucrats onside**

Karen Hay engages the help of Murray Costello and Philippa Bowron in an email to them both with a ‘few points for your consideration to present to the Minister of Broadcasting’ (Hay, 2006). The letter refers to their earlier discussions and then outlines reasons to support an application for a one-year free licence to broadcast on the Youth Radio Network assigned frequencies, claiming that the Kiwi FM request was ‘an entirely unique proposition … not a substitute for any proposed Youth Radio Network’ (ibid.). This is a remarkable claim to make, considering the proposal for Kiwi FM to occupy the YRN’s frequencies is actually substituting the YRN for Kiwi FM, even if for only one year. There was obviously some serious discussion and thinking put into this early approach as Hay states:

It’s a good time to be tabling any issues before they arise. I’m confident the positives outweigh the perceived negatives. I think the government will be applauded by the vast majority for having taken the step to support Kiwi while it explores a new structure for its long-term viability. (Hay, 2006)

Several points are made about how Kiwi FM supports ‘our artists and cultural heritage’, ‘supports NZ on Air’s initiatives’, ‘complements the wider government arts initiatives’ and has been ‘well-accepted
by the public at large – even if the ratings haven’t borne this out’ (ibid.). Interestingly, Hay claims that
Kiwi FM ‘remains one of the stations of choice for the majority of the media, especially in Auckland’ –
a claim that is hard to substantiate, but perhaps made to exert a small amount of pressure on
government, who may be loath to antagonize the media, a sentiment later echoed by Brent Impey
(below). Another interesting section reminds the Minister that Kiwi FM has been helpful for the
government before, featuring in Labour Party marketing, allowing Hay to remind Steve Maharey that
‘Kiwi FM is very much aligned with the government’s arts policies (you may recall we were featured in
the Labour Party’s television advertisements in the recent election campaign)’ (ibid.). While not overly
subtle, this reminder does serve to gently introduce the notion of hypocrisy on behalf of the government
if it is unwilling to progress the discussions further.

As well as recommending herself as essential to the next phase of Kiwi FM’s existence as Station
Manager, Hay argues ‘Kiwi has great potential to be of service to the wider community’ and she would
‘spear this station towards the “public broadcasting” model, and support the mainstream (and those
outside of it)’ (ibid.). Hay also claims the website for Kiwi FM could ‘potentially provide a marketplace
for a wide range of New Zealand artists’, citing the locally-famous case of the band Steriogram, which
was signed to an American label after being discovered by a ‘LA record executive keying in a few words
on his computer (which led him to the band)’ (ibid.). The Steriogram story is probably a little more
complex than that, but the sentiment that was intended resonates with the government’s aspirations at
the time around in creating an export market for New Zealand’s cultural outputs, encapsulated in
projects such as ‘Outward Sound’, managed by the New Zealand Music Industry Commission and
funded by government and through sponsorship deals to identify, fund and develop potential artists for
international markets (New Zealand Music Commission, 2006).

Hay insists that ‘there is no hidden agenda here’ and that ‘RadioWorks is happy to work with
government for solutions to the perceived problem of commercial operator/non-commercial
frequencies issues’, acknowledging at this early stage that the allocation of the frequencies could be
controversial, but belittling those concerns as merely ‘perceived’, assumedly in order to reassure the
Minister (ibid.).

Hay finishes by reiterating that support for Kiwi FM would be a ‘positive initiative’, with a ‘real
willingness on CanWest’s part to ‘support Kiwi financially while solutions as to its future are explored
… work in a constructive manner with government’ and ‘be a vehicle for the promotion of New Zealand
music internally and abroad’ (ibid.). Hay is adroitly emphasizing the potential of Kiwi FM over its actual
performance while tying its future to government initiatives in the New Zealand music industries. Hay
is also offering Maharey and the Labour government a win-win situation of its own – a CanWest –
supported, promotional vehicle for New Zealand music at no or very low cost to the government. As I will show, the points and issues raised by Hay are later incorporated into the discussions about Kiwi FM throughout this period.

Engaging with the ‘third-way’ agenda

After refining the earlier official proposals to include ‘background’ and information to ‘encapsulate where we are now’ (Hay, 2006), CanWest presented another partnership proposal in a document titled ‘Short-term Frequency Application for KIWI 100% New Zealand Music’ to the Ministry for Culture and Heritage and Steve Maharey in March 2006 (CanWest, 2006). The document begins with an appeal to consider the proposal alongside some of the major international achievements of New Zealand sports and also the New Zealand film industry, hugely celebrated in New Zealand at the time after the success of the ‘Lord of the Rings’ trilogy which was directed by a New Zealander (Peter Jackson) who also shot most of the scenes in New Zealand. Controversially, the government had given very favourable tax breaks to the Hollywood studio (Warner Brothers) that produced the trilogy in order to attract the films and the attendant jobs and publicity for ‘brand New Zealand’ that would come from them. Labour laws were also changed to make it easier and cheaper to control the local workforce on the productions (Bennett & Donnell, 2010, Brooks, 2010). This situation was widely known throughout the media industries, and is noted in the proposal also, perhaps as a reminder that government intervention in the creative sector was not new and had benefits. The proposal is a very deliberate attempt to position Kiwi FM in the company of celebrated national achievers and begins:

Over the last decade the government has worked tirelessly with the New Zealand music community in a bid to take our music to the world. The potential benefits for the nation are not dissimilar to a World Cup rugby bid, an Americas Cup campaign, or a major motion picture production; and they’re not only financial – they reach to the heart of our culture. (CanWest, 2006, p.2)

The proposal goes on to argue that Kiwi FM is a ‘legitimate and important’ part of the potential internationalization of New Zealand music as a ‘focal point for the international and ex-patriot community’ as well as claiming that ‘we need access to the ears of the nation’ to create hit songs, ‘fostering our national identity and creating residual income for New Zealanders (not just the pockets of the existing musical superpowers)’ (ibid.).

These are appeals to the platforms of the then Labour government’s policy agenda for New Zealand music at the time, presenting a ‘third-way’ vision of economic, cultural and national benefits of supporting Kiwi FM. Further, the proposal goes on to argue that Kiwi FM was instrumental in lifting the amount of New Zealand music played on New Zealand radio over the 20 per cent target for the voluntary quota (from just under 19 per cent to 20.6 per cent), which represented a significant amount
of new and commercially risky artists who could not compete for playlist spots on ‘regular commercial stations’ with their focus on ‘name artists’ (ibid., p. 4). This opportunity for exposure’ (ibid.) is referred to in later decisions around Kiwi FM as key factor in policy maker’s thinking, with one briefing paper noting that ‘diversity’ was a key reason the Prime Minister applauded the establishment of Kiwi FM in 2005 (Costello & Maharey, 2006, p. 4), and another highlighting CanWest’s promise to diversify the music and develop specialist programming in return for free frequencies (Daniels, 2006).

Engaging with the music industries: Big names for big gains

A key element in the proposal is three letters of support for Kiwi FM from the music industry and a government-employed music specialist. The first was from the New Zealand Music Industry Commission (NZMIC), a partnership between government and New Zealand music industry representatives to increase the amount of profitable New Zealand music and acts, and to help develop an export market for New Zealand music, which claimed Kiwi FM would be ‘a natural partner for many of the projects it undertakes’ (CanWest, 2006, p. 7). As it turned out, this support was to become qualified when it was revealed to the NZMIC some months later that it was used in the CanWest proposal for free frequencies.

Another statement of support came from Mike Chunn, a member of the world-renowned band *Split Enz* and CEO of the ‘Play it Strange Trust’, which aims to develop song writing and composition skills among secondary school pupils in New Zealand (ibid.). Chunn was also a host on Kiwi FM, showcasing the outputs of the Trust in a half-hour weekly show. Chunn claims that ‘the radio broadcast of a song written by a school student is nothing less than profound … bringing secondary school students from Ak, Wgtn and Chch34 to their radios’ (ibid.). Somewhat obliquely in the context of this document, Chunn goes on to point out that out of 315 songs entered into an annual Play It Strange song writing contest, 71 per cent came from outside the three cities Kiwi FM broadcasts in, saying it was a ‘national movement’, but hardly making a case for the success of Kiwi FM up until that point in time (ibid.). Chunn seems to be talking about expansion of the network when he goes on to say ‘it’s crucial really that kids in other cities can join in on this’ (ibid.). This particular statement of support seems to be off topic, leaving the reader wondering why it was included, beyond the gravitas of the author as a major figure in the New Zealand music scene and the attendant cultural capital and ‘cool’ factor such a supporter brings to the proposal at a time when the Labour government was attempting to align itself with section of the cultural economy and attract and maintain younger voters, again echoing ‘Cool Britannia’ and Tony Blair’s

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34 Auckland, Wellington and Christchurch, the three cities Kiwi FM broadcasts in.
attempts to integrate his government’s image with the icons of British popular culture such as Noel Gallagher of the band *Oasis.*

The final letter is from Brendan Smyth, Music Manager for NZOA. Noting that NZOA was following the proposal as ‘Karen Hay and Brent Impye have kept us informed throughout’, Smyth gives strong support to the proposal as he argues that ‘Kiwi’s time had come’ as after 10 years of the success of the voluntary quota and NZOA intervention in the music and broadcasting markets in raising the amount of New Zealand made music played on the radio, ‘we can “afford” a 100% New Zealand music station’ as there was no longer the danger of it being used as the ‘excuse that mainstream radio needed to continue to ignore local music’ (Smyth, 2006). The letter also talks of the possibility of up to $250,000 a year being available to Kiwi FM through NZOA contestable grants, from a pool of $450,000 already accessed by student commercial radio (ibid). The letter finishes with ‘we hope the proposal put forward by CanWest and Karen Hay to maintain the station under the CanWest umbrella can be given a chance to work’ (ibid.). This letter obviously carried weight in discussions about the proposal at governmental levels, with sections of the letter used verbatim in Ministry for Culture and Heritage policy recommendations, Ministerial briefings and Cabinet discussion papers. The verbatim use of this material across these papers and briefings made it very influential on the process, meaning the CanWest/Kiwi FM position supported by Smyth took on official imprimatur, greatly enhancing the case for Kiwi FM to receive government support. This material was taken unattributed and out of context and its use across different official forums further de-contextualized it, making it an ‘official’ position, rather than a strong note of support from an individual bureaucrat.

In a December 2012 interview, I asked Smyth about this letter, as it seemed extraordinary to ask someone in his position to support one commercial organization in obtaining potential market advantages over its rivals with free frequencies. Smyth expressed a small modicum of regret, saying that ‘perhaps I shouldn’t have written it’, but not elaborating further on why he now felt it may have been a mistake. During further discussion, it did seem that on reflection Smyth was wary of being seen as

35 I use this example in reference to a famous photo that was published worldwide in 1997 of Blair and Gallagher sharing a joke at an official ‘Cool Britannia’ function. Cathy Newman sums up the atmosphere of the night in the *Telegraph* in 2014: ‘The original Cool Britannia event fitted the moment. Here was an idealistic new PM overturning 18 years of Conservative rule, determined to show he was doing things differently. Inviting pop stars, actors and fashion designers into the heart of the establishment was a way of proving the traditional political mores were consigned to the fusty old history books’. Source: [http://www.telegraph.co.uk/women/womens-politics/10938081/How-Tony-Blairs-Cool-Britannia-ruined-it-for-David-Cameron.html](http://www.telegraph.co.uk/women/womens-politics/10938081/How-Tony-Blairs-Cool-Britannia-ruined-it-for-David-Cameron.html)

36 Brendan Smyth has been involved with designing and implementing government music strategies in New Zealand since 1979, first as a member of the Arts Council for 10 years, then as Music Manager for The Broadcasting Commission, which later became NZOA. Smyth was awarded an MNZM (Member of the New Zealand Order of Merit) in 2011 for Services to the Music Industry. Smyth is also on the Board of Trustees for Mike Chunn’s ‘Play it Strange Trust’. Source: [http://playitstrange.org.nz/board-of-trustees/](http://playitstrange.org.nz/board-of-trustees/)

37 One paragraph was widely used (and unattributed) in these documents: ‘The value of Kiwi in the current climate is that it can provide a “seedbed” for new New Zealand music and that it can champion diversity and eclecticism in New Zealand music in a way commercial radio cannot’ (Smyth, 2006).
privileging CanWest, especially as the student radio stations had been vocally disappointed in NZOA and the government over the funding and support of Kiwi FM (Smithies, 2005). The Radio Network, CanWest’s largest commercial radio rival, also expressed disappointment at the government’s decision to back Kiwi FM, pointing out that the ‘New Zealand music content on radio has been increased primarily by mainstream radio stations in a cooperative process managed by the Radio Broadcasters Association’ and arguing that ‘if the government considers Kiwi FM should be supported, then it should be non-commercial and properly funded’ (McElhinney, 2006).

So, despite some misgivings, Smyth reiterated that ‘Kiwi FM’s time had come’ in 2006 and that he was happy to support it as it gave NZOA another outlet to help meet its statutory and strategic goals of ‘getting more New Zealand music on New Zealand radio’, which was a key policy directive in the legislation that governed his work (Personal Communication, 2012). When asked about his evaluation of Karen Hay’s role in the Kiwi FM story, Smyth showed real enthusiasm for the part she played in ‘saving’ Kiwi FM, stating that she was a passionate and driven advocate for New Zealand music and that ‘people like Karyn change the world’ (ibid.). Smyth related their long friendship and reiterated that he felt Hay was critical to keeping Kiwi FM on air (ibid.). Without overstating the case, there is perhaps a question of professional distance here, although Smyth’s assertion that Kiwi FM’s ‘time had come’ backs up his strong opinion in the letter of support he supplied to the original CanWest proposal. (Smyth, 2006).

Agreeing to the plan: The government engages

The eight-page proposal was successful in convincing the Minister of Broadcasting and key players in the Ministry of Culture and Heritage that Kiwi FM was a valuable public service, and that also fulfilled Labour’s policy agenda around New Zealand music, provided by a ‘good corporate citizen’ (NZPA, 2006). When Kiwi FM was granted new, publicly owned frequencies for a free, one-year trial from May 2006, the Minister of Broadcasting (Steve Maharey) explained the Kiwi FM deal as appropriate because the government was committed to New Zealand music and that Kiwi FM was a part of that commitment with little risk or cost to the government (Maharey, 2006).

Thematically, this is a ‘Public – Private Partnership’ (PPP) model, a significant shift in thinking about interactions between the government and business sectors occasioned by the development of ‘third-way’ politics. The PPP model was gaining popularity among government agencies at this time as it was seen as a way of funding large and complex infrastructure projects as well as desirable cultural projects that didn’t have the projected commercial viability that would attract business sector engagement and financing. The PPP was seen as a way to share costs and benefits of projects that otherwise wouldn’t
get off the ground, in a way that would be mutually beneficial to government and business and by extension society and the economy.

The New Zealand Treasury was tasked around this time with exploring the PPP model in depth, writing position papers, carrying out case studies and making policy recommendations for government. One particularly influential position paper remains a key source of policy advice today. Published in March 2006, Dieter Katz’s *Financing Infrastructure Projects: Public Private Partnerships* acknowledges that ‘there is little reliable empirical evidence about the costs and benefits of PPPs’, but makes a ‘qualitative assessment’ that ‘a PPP may be a good way of procuring services only if three conditions are met: Project outcomes can be specified in service level terms, performance can be measured objectively and performance objectives are durable’ (Katz, 2006). In these terms, it seems a PPP with CanWest in Kiwi FM would not meet Katz’s conditions required for success in terms of what service level would be set, how performance would be objectively measured and how durable the performance of the network would be. Although the underlying ideology of the deal reflected the PPP model, to name it that would have given the deal undeserved gravitas and stature and perhaps intertwine the government and Kiwi FM (and also conceivably, CanWest) too tightly, opening the government up to accusations of favourable treatment of one half of the international media duopoly operating in New Zealand.

However, PPP or not, the announcement was not universally lauded. Immediate criticism of the government and CanWest came from the Australasian Performing Rights Association, which represents New Zealand music writers and publishers. Spokesman Arthur Baysting was concerned that the move would undermine proposals for a public Youth Radio Network because Kiwi FM could claim it was doing the job of a public broadcaster. Baysting declared that ‘it’s completely inappropriate that CanWest or any other commercial broadcaster has anything to do with a network like that’ (muzic.net.nz & stuff.co.nz, 2006). He pointed out that during the Kiwi FM launch, CanWest chief executive Brent Impey had spoken against the need for a public youth network because commercial radio, and particularly Kiwi FM, was ‘doing the job’ (ibid.).

For Baysting however, this was ‘not about the music, but about giving young people access to important information untainted by commercial interests’ (ibid.). He noted that in other countries, public youth broadcasting was provided for and seen as an essential component of public broadcasting as a whole in broadcasting law, whereas young people in New Zealand were seen merely as ‘the market’, and the only group without specific public broadcasting attention or direction (ibid). Baysting made the point that ‘CanWest and other commercial broadcasters have worked long and hard to preserve their monopoly in this market’ and therefore would be driven to protect it at all costs (ibid). He was supported by one of New Zealand’s best known songwriters, Neil Finn, who in continuing his support for non-
commercial youth radio wrote a strongly worded letter to The New Zealand Herald accusing the government of ‘cosying up’ to commercial interests (Cowan, 2006).

However, Karyn Hay defended the frequency allocation in the media reports, arguing that ‘there was no advantage in the new arrangement for CanWest, which had been going to can the station’ (NZPA, 2006). She reiterated the claim that ‘CanWest is being a good corporate citizen’ and that ‘it was completely wrong to insinuate that government money was going into a commercial enterprise’ (ibid.). Hay embarked on a public relations campaign, including a widely circulated ‘Open Letter on Kiwi FM’ to counter criticism of the network from some quarters as a ‘ghetto’ for New Zealand music, a cynical CanWest ploy and an attempt to take audiences off student radio stations among things (Hay, 2006). She also accused critics as having ‘some major vested interests’ as Kiwi FM was not looking for government funding (NZPA, 2006). As previously stated, Kiwi FM has in fact successfully sought government money, receiving over $2.1 million in NZOA grants since 2005.

Despite the strident denial of ulterior motives provided by Hay in 2006, this is not supported by Hay’s former CEO, Brent Impey, in an interview in 2012. Impey stated that the company saw the distinct possibility of getting funding from NZOA as critical from day one and that the free frequencies deal gave it a much needed boost in the competition for the lucrative younger listeners in the three key metropolitan radio markets of New Zealand (Personal Communication, 2012).

Structure and governance of Kiwi FM: Agreeing on a new model

CanWest also agreed that if it was allocated the free frequencies it would run Kiwi FM as a not-for-profit, quasi-independent unit within the company, with an independent board of directors, with the stated aim of becoming financially independent of CanWest (Impey, 2006). Although this set of agreements is discussed in more detail later, at this point it is important to note that as of 2015 Kiwi FM has not publicly reported on its status as a not-for-profit operation and continues to be run from MediaWorks studios in Auckland. Kiwi FM has reported on its activities directly to MCH, but has not publicly released this information. Official Information requests have yielded several reports, for example, a ‘First Quarterly Report’ (ibid.) from 2006, a 2007 ‘Annual Report’ (Isles, 2007) and an ‘Annual Report’ from 2011 (Collins & Turner, 2011). All of these documents are celebratory about the success of Kiwi FM, but thin on details about audience numbers and actual, observable impacts of the network, beyond a few generalisations about how important the station had become to New Zealand music, and also the government’s agenda for the arts and culture. All the documents have also had all

38 Examples of these themes appear on a contemporaneous blog post by Andrew Dubber, which attracted a detailed response from Karen Hay and others (including myself). http://andrewdubber.com/2006/05/guest-blogger-karyn-hay/.
financial information removed under section 9 (2) (b) (ii) of the Official Information Act, which protects commercial information, making it impossible to know how New Zealand on Air grants were spent and how much advertising revenue was generated for the period. Costs of the network are also not available to evaluate how the network is being produced and what resources are required to run it. This lack of accountability in using public money for what is supposed to be a not-for-profit enterprise runs counter to the intentions of the Official Information Act, which has the stated purpose ‘to promote the accountability of Ministers of the Crown and officials’, including those who approve and allocate funding (OIA, 2015). This kind of detail would give interesting insights into the financial position of Kiwi FM and whether it has delivered on earlier promises to expand its remit and connect with its intended audiences in New Zealand and overseas. It would also allow the public to hold the government to account over the ongoing funding of the network, which is owned by a major international conglomerate, rather than a not-for-profit and independent promoter of New Zealand music.

My own experience in the industry and in subsequent research into the industry, leads me to believe that Kiwi FM is charging out studio and production facilities and staff at an extremely high rate in order to justify the $300,000 yearly grants from NZOA. Kiwi FM are using transmitters, studios and facilities that already existed from the Channel Z days, have a very small staff of around five and does very little promotion or marketing. The on-air schedule shows a lot of repetition of funded material and the network is an automated music-only programme between 10pm and 6am weekdays (Kiwi FM Guide, 2015). The costs involved to produce content for the network are, in my considered opinion, exorbitant. Only a full financial report, such as a full and un-redacted Annual Report with full financial accounts would shed light on this murky situation.

In terms of governance, a board of directors was appointed in 2006 to steer Kiwi FM towards becoming a self-sustaining operation outside CanWest. These directors are all employees of CanWest/MediaWorks, and the board has always been chaired by the CEO of the company. The board appointed a ‘Kiwi FM advisory panel’ to review the network’s programming and financial and governance issues. This panel has not reported publicly, but to MCH through annual reports from 2007 onwards (Impey, 2006, p.3 & Isles, 2007, p. 1-3.). The panel is generally (somewhat unsurprisingly) very supportive of CanWest/MediaWorks’ involvement in the network and reiterates tenure of frequencies and ongoing financial difficulties as key challenges to Kiwi FM’s success throughout. Beyond this construction of a quasi-separate entity, with separate governance and a not-for-profit charter, Kiwi FM features significant paid-for advertising, sold by MediaWorks sales staff as well as its airtime being given away as part of packages of radio advertising sold by MediaWorks and national agencies. But, without financial information, it is hard to judge the status of the not-for-profit proposition since 2006 (Impey, 2006, p. 2). It is questionable how autonomous Kiwi FM has been since 2006, with its management and
governance all employees of CanWest/MediaWorks. This situation becomes a critical element of the Kiwi FM story in later chapters, as the government attempts to hold CanWest to its original commitments around Kiwi FM’s structure and performance.

Documents released under the Official Information Act for my research show concerted lobbying by CanWest senior management of the Minister for Broadcasting, NZOA and the Ministry for Culture and Heritage since 2005. Of particular concern to CanWest/MediaWorks was securing the frequencies for longer and longer to give time for the station to rate better and to generate more income. Various attempts were made by senior CanWest managers to justify the lack of ratings and commercial support for Kiwi FM as caused by ‘market uncertainty’ about the future of Kiwi FM (i.e., the government’s lack of long-term commitment to the network) in order to get extensions to the licence. This was signalled as early as the ‘First Quarterly Report’ and in subsequent correspondence and reports (Impey, 2006, p. 3). Overall, this has been a very successful strategy. The frequencies are now routinely reassigned to MediaWorks every six months, with no public input or industry comment. I will now turn to the government documents and also to a rare and remarkably frank 2013 interview with the former CEO of CanWest, who was heavily involved in the Kiwi FM story during the period studied here. By developing categories of analysis through coding this data, this next chapter will organize, abstract and interrogate this wealth of new information in order to assemble a grounded theory to explain the phenomena of Kiwi FM as a ‘public’ broadcaster of ‘national’ musical culture, provided by a private, foreign-owned company.
Chapter Six

Kiwi FM as a conundrum

Gathering, sampling, abstracting and re-organizing data using grounded theory methods

My initial purposive data sampling indicated that there was something unique about the Kiwi FM situation. An early request for official information made to the Minister of Broadcasting in 2007 showed that rather than Kiwi FM being a minor matter at governmental level, there was real concern over public reactions to giving CanWest free spectrum leases, how to rescind the leases if need be and without losing face, and also how to manage the offer so as to enhance the government’s own cultural policy agenda and public reputation. I initially coded this data as ‘government risk management - 2006 onwards’, as this era of policy making around Kiwi FM was markedly cautious and thoughtful, an analysis that held up against data I gathered and analysed using grounded theory methods later in the process of forming theory. This can also be contrasted with data that indicated a far more relaxed and enabling policy environment when the new centre-right National government replaced the three-term centre-left Labour government in 2008, showing that Kiwi FM was a concern and real conundrum for the Labour government at the time. This ‘government risk management’ is the kernel of this research project, as it revealed previously unseen levels of government and business cooperation as well as the behind-the-scenes negotiation and construction of policy in an environment of deregulation, market liberalization and ‘third-way’ governance. These data sparked several research questions for me around the process of cultural policy making in neo-liberal market economies. These questions were:

1. How do governments make broadcasting policy in the absence of a dedicated ‘office’, ‘tribunal’ or similar policy-creation grouping dedicated to understanding and delivering support, incentives and direction to a nation’s media?

2. How is government influenced by business in matters of broadcasting policy in a deregulated market?

3. What is government’s role in facilitating business in achieving its goals in a deregulated broadcasting market?
4. What tools do governments have to ensure they are managing broadcasting activity for the greatest good for the greatest number of citizens, in the absence of formal regulation, in the face of business lobbying for its own interests and is it even desirable to try to?

5. Are any of these questions even asked at the governmental level in a deregulated market?

Ultimately, I was concerned with the extent to which the actions of those involved in the Kiwi FM situation were deliberate and purposeful, and also the nature and power of the agency that the different parties used to influence the decisions reached and the outcomes achieved.

An early example of this conundrum presented itself in a discussion document recommending that the Cabinet (the final policy-making body of the New Zealand government) should agree to CanWest’s proposals to put Kiwi FM on frequencies set aside for expanding public broadcasting for a one-year period starting 1 May 2006. The document was created by the MCH, which is responsible for broadcasting alongside many other cultural and heritage preservation and enhancement functions. This document, signed by Murray Costello (on behalf of the Chief Executive of MCH, Martin Matthews), and the Minister of Broadcasting, Steve Maharey, notes that the CanWest proposal was reviewed by NZOA (a funding body managed by MCH) officials who saw enough value in it to be willing to commit funding to the network (Costello & Maharey, 2006, p. 1). The paper also discusses four critical negative aspects of the proposal in some detail. Briefly, these were:

1. Lack of opportunity for others to compete for the frequencies, making it difficult to deny other applicants ‘similar consideration’ (ibid.).

2. Difficulty in removing broadcasters from temporary frequencies, as had been shown in the past as small local incumbents ‘borrowing’ reserved frequencies had meant ‘problems had invariably been created’ and negative publicity generated when they were forced into bidding in auctions they invariably lost to the big players. Interestingly, here the Ministry and Minister indicated that they would conceivably need to give Kiwi FM an extension past the one year request in order to allow it to prepare to contest for more permanent frequencies that may come up in a proposed allocation for non-commercial broadcasting in the years to come (ibid., p. 2).

3. Lack of compliance with non-commercial criteria. Here there was reflection on government ‘goals’ (but not policies) for broadcasting that was inclusive, meeting information and entertainment needs of citizens, providing for minorities, innovation and creativity and contributions to political awareness and national debates. The CanWest proposal was risky here as while it did say that Kiwi FM would work towards becoming not-for-profit, it was thin on
details and timing of that work. The fact that CanWest was funding Kiwi FM would breach several clauses in the licence conditions of the reserved frequency block as it stood. There was ‘limited precedent’ noted in a previous allocation to a not-for-profit radio network aimed at young Pacific Island people living in New Zealand that could be used as a public justification if needed (ibid, pp. 2-3).

4. The uncertain viability of a non-commercial operation, requiring both CanWest to continue funding it and the government to ‘grant frequencies to a commercial-type operation, albeit one that is delivering a “public good” service’ (ibid., p. 3).

A final note to this was concern that ‘the government would be seen as the terminator of the network if it was required to move off the reserved frequencies’ without securing others. This was somewhat countered by the fact that the government ‘would have given Kiwi FM every opportunity to explore the viability of continued broadcasting’ (ibid. p. 4). This document goes on to recommend the CanWest proposal to Cabinet, noting that it ‘would raise some issues that would need to be managed’, that ‘the benefits outweigh the negative aspects’ and that Kiwi FM would be ‘a short-term exception to the current non-commercial regime’ (ibid., p. 5). Despite the internal inconsistencies of parts of this document, there is a carefully considered but clear argument from MCH for government intervention into the market on behalf of Kiwi FM and wider cultural policy goals apparent here. This argument would become influential on future decisions about the status and utility of Kiwi FM.

This document formed the basis of a paper prepared for the Cabinet Policy Committee by the MCH and the Ministry of Economic Development (MED, which manage radio spectrum in New Zealand), and signed by Steve Maharey and Minister of Communications, David Cunliffe. Titled ‘Temporary allocation of reserved frequencies for Kiwi FM’, the paper outlined all of the previously discussed negative aspects, but also promotes the CanWest proposal strongly as it ‘supports the government’s other music initiatives’, and that considering the ‘current climate’ it could be a ‘seedbed for new New Zealand music’ that would ‘champion diversity and eclecticism in a way commercial radio cannot’ a line lifted directly from the letter of support from NZOA’s Brendan Smyth (see above) in a ‘low commercial environment’ as required by the licence criteria for ‘non-commercial broadcasting’, something of an oxymoron which states up to 50 per cent of revenue can come from commercial advertising (Cunliffe and Maharey, 2006, p. 1). The paper also outlines a promise from CanWest to diversify the music Kiwi FM plays and the support of MCH and NZOA. One interpretation of this willingness to embrace ‘diversity’ is another tranche in the attempt to supplant the Youth Radio Network in the thinking of policy makers with Kiwi FM, which is a subtle, but thematically consistent argument that emerges in this work.
A crack in support: Misrepresenting the New Zealand Music Industry Commission

An interesting deviation from this unqualified support was presented by the New Zealand Music Industry Commission (NZMIC), which had written in support of Kiwi FM in a statement requested by Karen Hay (Andersen, 2006), but later clarified its position in a letter to the Chief Executive of MCH. NZMIC Manager, Cath Andersen, stated that the Commission did not comment on broadcasting matters in order to protect its role as a neutral, consensus based actor in the relationship between music and radio, and therefore had been misrepresented by MCH in discussions with Ministers about allocating government frequencies to Kiwi FM – a potentially contentious issue for competing broadcasters, the public and other sectors of the music industry (Andersen, 2006, p. 1-2). The letter makes it clear that the letter of support given to Hay had been supplied without the knowledge that Hay and CanWest were pressing the government for free frequencies, a ‘mechanism’ which the Commission would not have supported, and knew nothing of until a press release from the Minister of Broadcasting (ibid.). The NZMIC declined to take the matter further, but is unequivocal in distancing itself from the allocation of free frequencies to Kiwi FM.

A reply from MCH Chief Executive, Martin Matthews, seeks to reassure the NZMIC that the Ministry ‘did not interpret the Commission’s support for the station as support for the mechanism’, but as ‘very much an expression of support for the continuation of a worthwhile New Zealand music initiative’ (Matthews, 2006), this is a somewhat remarkable position to claim, well after including the Commission’s support in recommending the CanWest plan to Ministers and to Cabinet without the knowledge that the organization felt it had not been given a full account of CanWest’s and Hay’s goals and would not support the allocation of free frequencies to Kiwi FM if it had.

The NZMIC is a notable element of Scott & Craig’s (2012) discussion of the ‘promotional state after neo-liberalism’ in New Zealand in that as a government funded collaboration with trade and export policy makers, culture producers and local and international businesses, it plays an important role in the formation of the government’s economic priorities around supporting local music, and can be seen as susceptible to government direction in order to achieve policy goals (Scott & Craig, 2012, pp. 144-47). In contrast, here the Commission is deliberately playing a more independent role – distancing itself from policy that may bring into question its ability to work on industry-wide issues in a neutral manner, and arguing for recognition of and respect for that independence and neutrality from the hand that feeds it. This reveals a more complex set of influences on the music industry, beyond a unified, consistent and collaborative ‘promotional state’ of aligned goals, agreed lines of authority and all-encompassing strategy. This complexity therefore also feeds into policy making at this level, further complicating the process of policy formation for outside observers.
While the NZMIC concerns are an interesting insight into the campaign to secure frequencies for Kiwi FM as well as policy making in a neo-Liberal broadcasting environment, they were ultimately sidelined by the CanWest strategy as well as the willingness of the government to try the plan as there was little chance of serious disruption to other government goals, as well as more upsides than downsides. In political terms, this was a relatively easy decision, albeit, reached with a level of, perhaps, chicanery on behalf of CanWest. The Cabinet paper notes that ‘there is little or no prospect of a Youth Radio Network proposal being advanced in the next year’, so the frequencies would be available for at least that long and would not clash with specific government initiatives (Cunliffe and Maharey, 2006, p. 2). On 22 March 2006, the full Cabinet, including the Prime Minister, signed off on the CanWest proposal without any modifications or requirements over and above what was proposed (Daniels, 2006).

Collaborating on Kiwi FM: The bureaucrats engage with the Kiwi FM construct

The next category for coding that developed out of the data was concerned with how the government handed over the Kiwi FM project to MCH and how MCH then worked with CanWest to ensure it got what it wanted (which was to use Kiwi FM to help fulfil government policy goals around New Zealand music). Once the decision had been made to support the CanWest proposal an interesting collaboration formed between CanWest and MCH, based on implementing the decisions made so that the government and Kiwi FM were protected from criticism and allowed the MCH to maintain some oversight over the ‘new’ Kiwi FM (while also allowing the change of direction to managed on CanWest’s terms). A key player emerges during this period, Rick Julian, Senior Agency Adviser for Media Policy in the Cultural Policy Branch of MCH.

One particular document shows a deep level of cooperation developing between MCH and CanWest over the Kiwi FM project, which Julian seems to take the lead on from this point onwards. In late April 2006, shortly after the allocation of the new frequencies, Karyn Hay approached Julian in order to prepare a press statement and media strategy to justify the allocation publicly. Hay specifically asked in an email if the frequencies were allocated to a Youth Radio Network, to develop an ‘official line …in order to stave the inevitable “is this the end of the Youth radio Network concept that Neil Finn put forwards?”’ (ibid.). Hay also asks how to discuss how long the frequencies were to be allocated to CanWest for and whether to mention that they would then possibly be contesting for them against other parties after that period, asking for a ‘better way to put it’ (ibid.). Hay also argues that any discussion of the ‘not-for-profit aspect of the agreement’ should ‘be fairly general’ in order not to scare off advertisers (Hay, 2006). Hay relates that CanWest need the information to craft a media strategy that would be designed by Roger Beaumont, the head public relations person at CanWest at the time, and implemented by their external public relations agency Chopper Consulting (ibid.).
The email was forwarded to Julian, who replies in some detail, and gives specific advice on the media strategy, stating:

>Murray Costello asked me to respond to your request for some thoughts on the PR and Q&A. I would imagine you wouldn’t use a lot of the detail in the release itself, but it might help in responding to follow ups (Julian, 2006).

Julian advises that ‘the important issue to get across is that the arrangements are temporary, pending government decisions on future use of the reserved blocks … and Kiwi FMs future positioning to compete for non-commercial frequencies’ and that ‘the plan, over the course of the coming year, is to restructure Kiwi FM into a not-for-profit organisation in order to improve its prospects of securing future non-commercial licences for the service’ (ibid.).

In response to Hay’s specific question about the Youth Radio Network allocation, Julian replies that the frequencies are ‘technically’ reserved for the network or for another public channel that was possibly shifting to FM (Radio New Zealand Concert, a classical music channel), and that pending government decisions about these developments, Kiwi FM had been allowed to use them ‘on a short term basis’ (ibid.). Julian answers Hay’s question about the length of allocation by reaffirming that the frequencies had been made available for one year and that they may form part of a release of additional frequencies for non-commercial broadcasting, which Kiwi FM would have to tender for, if the government went in that direction (ibid.). To placate Hay’s concerns about advertisers and the not-for-profit requirements, Julian reiterates that the licence for Kiwi FM would allow Kiwi FM to carry advertising as up to 50 per cent of its income (ibid.). This is a standard requirement for not-for-profit licence allocations managed by MCH along with having no more than six minutes of advertising per hour and specifying that ‘staff may not be paid any more than the industry standard for work of similar duties, members of the governing body may not directly profit from the enterprise and the radio operation shall not be primarily intended to raise funds for charity’ (MCH, 2015). There does not appear to be anything that would make advertisers nervous about Kiwi FM as a not-for-profit operation in these requirements, instead the need to be ‘fairly general’ in discussing Kiwi FM’s finances is arguably to allow the network to avoid making a public commitment to the rules of the licencing regime.

Julian’s advice became part of the overall strategy in repelling criticism of the government’s deal with CanWest over Kiwi FM, and was used repeatedly by Hay and others in media interviews and press releases (Maharey, 2006, Hay, 2006). In a widely read ‘Open Letter’ posted to Andrew Dubber’s blog (and many others, see below), an academic and critic of Kiwi FM, Hay is adamant that the deal is temporary, above board and not designed to scupper a Youth Radio Network, accusing those
questioning it of creating ‘propaganda’ (Hay, 2006). Further, Hay takes umbrage at any suggestion that
the deal was unfair or underhanded, stating that:

The Kiwi FM agreement with government is not some skillful manipulation of the system as has
been suggested (I personally briefed Neil Finn on the proposal months ago), nor is it some handout
from government to the ‘evil multi-national’ CanWest. Frankly I resent the implication that I would
be supporting that. (Hay, 2006)

Karen Hay consistently maintained this position, even as Kiwi FM continued well past its original
‘temporary’ period and in the face of criticism that CanWest/MediaWorks were advantageous treatment
from the government, saying in 2012 that ‘we camp on these frequencies …there has never been
certainty of tenure from year to year which has made it very difficult for those trying to achieve the
Ministry for Culture and Heritage’s aims of championing New Zealand music’ (Hay, 2012).

The Kiwi FM deal that would see Kiwi FM shift to the new free frequencies in the 102 FM block in
early July was announced publicly on 1 May 2006, the first day of ‘New Zealand Music Month’, an
annual celebration of New Zealand music as part of a collaboration between broadcasters, NZOA, the
New Zealand Music Commission, record companies and live music promoters to raise the profile of
New Zealand music and increase sales and airplay. The Minister for Broadcasting, Steve Maharey, took
the lead in announcing the deal, insisting that ‘the government is committed to working with radio
broadcasters to grow New Zealand music’ and that ‘we support the concept of a station that plays 100
per cent Kiwi music’ (Maharey, 2006). Brent Impey was also quoted in the official government press
release, saying that ‘CanWest has long been a strong supporter of Kiwi Music. Kiwi FM was launched
a year ago to enhance this support. This agreement puts Kiwi in a positive position for the future’
(Impey as quoted in Maharey, 2006).

Criticism of the deal: Managing reactions and minimizing bad press

Despite the positive and supportive spin put on the announcement, there was notable criticism of
the deal almost immediately. Rick Julian was again instrumental in preventing this criticism from
overwhelming the feel-good factor of the Kiwi FM support deal for the government with advice to
MCH and broadcasting policy makers about negative publicity from Neill Finn, a vocal critic and
determined supporter of a Youth Radio Network of eight years.

39 New Zealand Music Month grew out of an earlier annual event, New Zealand music week, created in 1996 by a NZOA
and commercial radio collaboration called the Kiwi Music Action Group (KiwiMag) in order to fulfill agreements around
the 20 per cent voluntary quota. The original week was extended to a month in 2001, reflecting the success in terms of
sales and airplay of New Zealand music (NZOA Annual Report 2008/2009
http://www.nzonair.govt.nz/media/37894/ar%20timeline%2020yrs%202008-09.pdf & the New Zealand Music
Finn wrote a strongly worded email titled simply ‘Why?’ to Steve Maharey on 2 May 2006, the day after the announcement, claiming that ‘I am sure you are going to enjoy an even sweeter relationship with CanWest’, that a chance to give ‘young people a real voice’ had been ‘squandered … adding insult to injury’ and that Kiwi FM was an ‘embarrassing indulgence’, spending public money on a ‘failed enterprise, encouraging it to make even more obscure programming’ that could not be good for New Zealand music (Finn, 2006). Further, Finn went on to single out Brent Impey as ‘an ego, a hypocrite’ who had lambasted the Youth Radio Network but was ‘indeed a skilful manipulator’ and that ‘it disgusts me that he now enjoys the frequencies and funding that should have belonged to young people’s public radio’ (ibid). This intensely personal attack on Impey is, in my view, unjustified and perhaps did not help make Finn’s case or present him as a passionate but thoughtful advocate of public broadcasting. Finn’s status as a musical icon in New Zealand who had ‘conquered the world’ with the Split Enz and Crowded House lent him a large amount of cultural cachet which was not well translated into coherent arguments against Kiwi FM, even as his remarks were echoed in public forums and subsequent interviews that attracted nationwide coverage at the time (Finn, 2006). Impey remarked later that this was somewhat disappointing for him personally, but he was prepared to face the criticism, saying that ‘the push by the proponents for a Youth Radio Network which our company in particular and me in particular led a fairly strong lobbying campaign against … cost me my relationship with Neil Finn … I’ve got to say, it’s still not repaired’ (Impey, Personal Communication., 2012). Impey’s ability to contrast a personally affronted Finn with his more measured approach ultimately allowed CanWest to isolate Finn somewhat and to subtly contrast a functional, forward-looking Kiwi FM with a dysfunctional and disparate band of supporters of the nebulous and untested Youth Radio Network.

Rick Julian was asked to provide advice to Philippa Bowron (Advisor to Steve Maharey) on behalf of Murray Costello (MCH) and Nonnita Rees (MCH) about how to respond to Neil Finn’s allegations and concerns. This was pressing, as the original email had been picked up by the government spam filter and not seen until a day after it was sent, perhaps signalling to Finn that he would be ignored (Lambert, 2006). There was a flurry of email activity between 9.17am and 12.01pm that shows some real concern over what Finn might do next to air his grievances in public. Julian replied on May 4 with detailed strategy suggestions.

Bowron had already gathered ‘some wording from NZ on Air re the programme funding’ and was looking to ‘get on top of it … asap’ (Bowron, 2006). Significantly, the ‘wording’ came from Bernard Duncan, Acting Chief Executive of NZ on Air, showing that the Neil Finn criticisms were being taken seriously at the highest levels of government (Duncan, 2006). Bowron requested information on funding Kiwi FM - from Duncan directly on 4 May 2006 at 9.17am ‘so I can ensure we remain consistent’ (Bowron, 2006). Duncan replied at 9.34am and explained that $113,000 of funding was to be allocated
to three music shows on Kiwi FM as it was ‘approved consistent with NZ on Air’s policy and criteria or radio shows, especially with respect to our strategy to add difference and diversity to music radio’ (ibid.). This openness was however qualified in that Duncan says ‘I’d prefer not to have the budget made public’, even though ‘the minister has already sais [sic] there will be a number of shows funded by us’ (ibid.). This caution reveals a certain amount of trepidation over a possible backlash against the government’s support for Kiwi FM, including the use of tax payer’s money to fund what was essentially an experiment in attempting to fulfil policy goals around difference and diversity through another experiment in public-private partnership in a media enterprise. In terms of the brewing public relations problems occasioned by Neil Finn’s strongly worded missive, Bowron had secured assurances from NZ on Air that funding Kiwi FM was broadly in line with both government goals and Finn’s own call for more diversity in local music being promoted through public assets.

Julian’s advice to Bowron, sent at 12.01pm, again summarizes the public position of both the government and CanWest on Kiwi FM. Julian begins with:

The key message of the response should be that the decision to grant CanWest temporary use of the frequencies has been made in support of the government’s New Zealand music initiatives. This should not be confused with support for a possible future Youth Radio Network which is a quite different matter altogether. (Julian, 2006)

While this is consistent with public pronouncements about the Kiwi FM deal, it is more explicit in mentioning the lack of impact on a possible Youth Radio Network, which was not mentioned at all in the 1 May 2006 press release from Trevor Mallard. This is presumably in order to placate Neil Finn, and informs critical parts of Marahey’s reply to Finn later that week (see below).

Julian reiterates that the Kiwi FM proposal had support from ‘key music industry players, the NZ Music Industry Commission and NZ on Air, and by the government, because it is considered a worthwhile New Zealand music initiative’ (ibid.). It is worth noting that the afore mentioned letter from Cath Andersen of the NZMIC, stating that it would not have supported Kiwi FM on public frequencies had they known that Hay’s request for support was part of the proposal to do so, was not sent until 16 May 2006 (Andersen, 2006). This nuance becomes more critical at this juncture as the NZMIC is being used to justify the decision in the face of strong, and potentially politically damaging opposition to government for Kiwi FM. It is an intriguing thought experiment to imagine what may have happened had the NZMIC publicly withdrawn its support and expressed its disappointment with being misrepresented at this point. The government and bureaucrats seemed anxious to downplay criticism of the deal quickly and concisely by using the support of music industry organizations to give a framework and significant gravitas to the policy. Perhaps a more strident reaction from NZMIC would have focused more media attention on the behind-the-scenes negotiations around Kiwi FM at this time.
However, it can be argued that this would have been unhelpful for NZMIC as a key player in the New Zealand music industries, in partnership with MCH and NZOA as well as the radio industry and also musicians who stood to get airplay on the network. A public disagreement with these parties may have been a step too far for Andersen and the NZMIC.

Julian also reiterates that rather than ‘let the station disappear now’, Kiwi FM was being given ‘a year to restructure itself and secure alternative sources of funding … that will enable it to compete for possible future non-commercial frequencies’ and that Kiwi FM was to be ‘non-commercial’ and not-for-profit’ (Julian, 2006). Finally, Julian states that the Kiwi FM frequencies ‘just happen to be frequencies reserved for other purposes’ and that should the government require them ‘for purposes for which they were originally reserved’, Kiwi FM and other applicants ‘will be competing for frequencies elsewhere on the upper FM band’ (ibid.). He finishes with a firm commitment that ‘Kiwi FM will not be enjoying the frequencies that should have belonged to young people’s public radio’ (ibid.).

This commitment is explicitly echoed in Steve Maharey’s reply to Neil Finn later that week, which begins with:

Firstly I want to reassure you that government’s temporary allocation of upper FM band licences in Auckland Wellington and Christchurch [sic] to Kiwi FM is not intended to be a youth network, nor is it intended to replace the concept. (Maharey, 2006)

Julian’s advice is used almost verbatim here too:

The decision to grant temporary use of the frequencies has been made with the support of the NZ Music Industry Commission and NZ on Air, because it is a worthwhile music initiative. This is not to be confused with support for a possible future Youth Radio Network which is a different matter altogether’. (Maharey, 2006)

Again, the misconstrued position of the NZMIC is critical to the justifications presented, and it can be assumed that that would carry some weight with Neil Finn as well as other musicians and music industry players who stand to benefit from the success of the Commission in promoting New Zealand music as an industry.

Maharey stays on message throughout the reply to Finn, reinstating the year-long restructuring opportunity for Kiwi FM to become not-for-profit, the government’s commitment to New Zealand music and arguing that funding for Kiwi FM shows fulfilled the criteria for allocations by NZOA, ending the letter with ‘I also remain steadfastly committed to ensuring that NZ music is not marginalized or ghettoized’ in response to one of Finn’s strongest criticisms (ibid.). Also included was a breakdown of
NZOA on Air funding allocations for music in the 2004/2005 year in order to demonstrate the government’s commitment to New Zealand music – somewhat superfluous, but again reinforcing the message that Kiwi FM was just part of a broader strategy. It does seem from the documents available that the Finn episode did rattle the government somewhat, even if they had an inkling this might happen when Karyn Hay asked for public relations pointers from Rick Julian (see earlier). The swift and detailed response to Finn’s criticism did not stop the famous musician from going public with his concerns, and he articulated them with some authority on television shows and in letters to newspapers (see earlier).

Defending the deal: The Opposition attack

However, by this stage it was too late for Finn (or anyone) to force a re-think on the deal. The government was publically committed to helping Kiwi FM and was forced to defend it in from attacks by the Opposition. The Opposition spokesperson for Broadcasting, Georgina Te Huehue released a statement on 5 May 2006, decrying the deal and accusing the government of playing favourites as well as ignoring the views of others in the process:

Steve Maharey hasn’t done any consultation, did not offer anyone else the opportunity to tender for the frequency and he is effectively handing over taxpayer money to a private business … This is an outrageous abuse of the process which has reasonably generated strong criticism from the likes of Neil Finn and The Radio Network. (Te Huehue, 2006)

Te Huehue appears to personalise her criticism, painting Steve Maharey as over-bearing and dictatorial, while deftly avoiding saying that Kiwi FM should be shut down, possibly side-stepping the dangerous position of seeming to condemn efforts to promote New Zealand music as a possible future Minister for Broadcasting:

This is no longer about whether Kiwi FM should remain on the air. It’s now about whether the Minister should be allowed to pick and choose what radio stations New Zealanders get to listen to (ibid.).

Te Huehue is actually making a classical neo-liberal argument about broadcasting here by accusing the government of returning to state control of the airwaves – contradicting the free market-driven consensus that was well entrenched in New Zealand broadcasting policy by this time. Despite this, it can be argued that the strategy adopted by the Labour government and its bureaucrats in early discussions about the CanWest approach on Kiwi FM, and subsequent collaboration between government departments, Ministers and CanWest successfully painted the Opposition into a corner, in that any criticism of the deal had to also show unwavering support for New Zealand music, which was popular and successful at the time. No government-in-waiting would want to be seen as out of touch and dismissive of such a positive and popular cultural moment.
Both Te Huehue and the Opposition spokesperson for Commerce, Pansy Wong, asked pointed questions to Steve Maharey in Parliament on 11 and 12 of May 2006 (Hansard, 2006). In the two-pronged attack, the Members tried to paint the Labour government as feckless with tax payer’s money, in the pocket of big business and unfriendly to the broadcasting aspirations of ethnic and indigenous groups (ibid.). Interestingly, there was no discussion of the musical merits of the Kiwi FM deal, perhaps reflecting the Members treading carefully around a popular aspect of New Zealand culture and the acknowledged success of the voluntary music quota at the time. Again, Maharey was on message, well prepared and able to give detailed answers that contained the same tropes and key points discussed above (ibid.). While such an effort to embarrass a government over a controversial policy that is in the public eye at the time is not surprising, the level of preparedness and the unified nature of all communications, both internally and externally shows a high-level of concern and also tactical understanding of the potential of the Kiwi FM deal to backfire on the government. The Hansard record of the debates shows Maharey’s reliance on the key themes of ‘temporary’, ‘non-commercial’, ‘not-for-profit’ and ‘alternative revenue sources’ in replies to questions about the deal (ibid.).

There is also an attempt to show the government’s support for Kiwi FM as part of a broader approach to New Zealand music in the Hansard record. In reply to this question from Te Heuheu:

What is the format for the ‘at least eight programmes’ on New Zealand music that are to feature on Kiwi FM; and how much money is to be received from NZ On Air for these programmes? (Hansard, 5230, 2006).

Maharey gives a detailed answer about the music shows being considered, acknowledging that three had already been approved for funding and presented ideas for:

- Shows featuring contemporary Māori and Pacific music, electronic, downbeat and groove-based music, a programme on the history of music in New Zealand, regional and genre music features such as country and jazz, songwriters talking about their work, and more. Any proposals, once fully developed, will be considered for funding by NZ on Air, on its merits (ibid.).

Here again the message is consistent – Kiwi FM is good for New Zealand music and in line with government aspirations for the industry. This is contrasts Te Huehue’s archetypal neo-liberal arguments for broadcasting operating in a free market with the ‘third-way’ approach adopted by the Labour government which was able to align their decisions about supporting Kiwi FM with the ‘cool factor’ of supporting New Zealand musicians and their outputs.

Te Heuheu kept up the pressure on the Labour government over Kiwi FM, making a request under the Official Information Act around the same time. Te Huehue asked written questions of Maharey

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40 These documents also feature in this thesis.
about CanWest’s strategy, discussions with government ministers about the Kiwi FM plan and about government response to CanWest approaches on Kiwi FM (Hansard, 2006). Maharey responded to these curtly and correctly on 20 June 2006, adding no new information. As the story faded from the media spotlight and public eye, the Opposition quietly dropped the attack. Upon winning the 2008 election, National was to completely reverse its previous position, increasing financial support and extending licences for Kiwi FM indefinitely. Kiwi FM was included under its broadcasting policy, a one page missive saying that the party was committed to ‘providing stability’ in the broadcasting sector, but also promising ‘transparency’ to

Ensure transparent processes for radio frequency allocation and renewal that create fair competition
and take into account the range of community and broadcaster interests. (National Party Broadcasting Policy, 2008)

This promise was quietly shelved for Kiwi FM, and by 2012 all discussions about the future of the network were held in secret (Drinnan, 2012).

Beyond the beltway: Information management under media pressure

Rick Julian was again involved in public relations efforts around the Kiwi FM deal when the nightly current affairs television show Close Up picked up the disquiet around it. The show went to air on 5 May 2006 in the primetime 7-7.30 pm time slot and featured media lawyer Chris Hocquard and Steve Maharey. The Minister had been caught off-guard when Hocquard had pointed out that the agreement with CanWest had no publicly-documented end date for the use of the frequencies, despite the Minister’s and CanWest’s assurances about the temporary nature of the deal. While the Minister did reassure Hocquard and the audience that there was one, he was not able to produce evidence (Close Up, 2006).

Julian had received a call from Maharey’s press secretary asking for confirmation of an end date that existed somewhere and also to confirm the Minister’s insistence on Close Up that the deal with CanWest required Kiwi FM to re-invest all profits into the ‘broadcast service’ (Julian, 2006). The ‘File Note’ produced by Julian and not addressed to anyone else is quite illuminating for several reasons, particularly as no request for documents about Kiwi FM under the Official Information Act has produced a full formal agreement. Julian reassures the press secretary that the agreement contained:

41 One document, the ‘First Quarterly Report’ contains parts of two clauses, one stating that Kiwi FM must report its financial position in relation to ‘financial stability’ and one requiring it to establish a ‘constitution’ and that it must provide evidence that it is a ‘permanent fund-raising mechanism’ to become a ‘financially viable and sustainable not for profit broadcaster’ within nine months (Kiwi FM First Quarterly Report, 2006). These elements were already in the public domain by this time, so add little to understanding the full reach and impact of the agreement between the government and CanWest.
Specific provisions for the disposition of revenue but pointed out that the generation of profits was unlikely, given the reasons for going down the non-commercial track in the first place. (Julian, 2006)

Julian also related that he had given a copy of the agreement to the press secretary, but did not give one to Hocquard. Here there is also a reference to a growing number of Official Information Act requests. Julian felt it best not to distribute copies of the agreement because:

As CanWest were a party to the agreement and would likely be consulted over releasing papers caught by the three OIA requests we had now received, it should probably not be released without first clearing it with CanWest. (Julian, 2006)

This hints at some trepidation about what reactions to what the agreement contained on behalf of CanWest and some collaborative deference to their concerns on the part of the government. The reluctance to release the agreement at that stage is somewhat contrary to the Official Information Act’s criteria for releasing information in the public good, especially as the Kiwi FM deal contains elements of tax payer funding, publicly owned radio spectrum and the operation was to be non-commercial, therefore nullifying the rejection of requests due to matters of commercial sensitivity. This is of some concern, as it seems CanWest and Kiwi FM were treated quite favourably by the Labour government in this regard.

Julian’s final analysis is that all parties are covered, without the need to release the actual agreement, by dates on spectrum licences issued by MED and that it was ‘abundantly clear’ in the Cabinet documents that the arrangement was for one year (ibid.). The agreement has since been released and contains significant detail about the obligations CanWest would need to meet (Agreement for Non-Commercial Broadcasting Licence, 2006). There are some particular clauses that compel Kiwi FM to be quite different from its previous incarnation as a commercial radio station. Clause 3 and it’s sub-clauses require the new Kiwi FM to establish a constitution that clearly show it is a not-for-profit broadcaster, that it will provide ‘alternative services’ to other broadcasters and that it ‘will be driven by programming tailored to a particular audience rather than the need to deliver a desired audience for advertisers’ (ibid. p. 14). This part also requires proof of a new structure and a ‘permanent fund-raising mechanism which shows it financially viable within nine months’. Clause 4 directs the licencee to use any revenue for ‘reasonable or planned expenses’ and for ‘reasonable or planned capital improvements’, in other words, to be spent on running and improving Kiwi FM only (ibid.). ‘Schedule B’ of the agreement sets out clearly what the station will play on air:

Kiwi FM plays %100 New Zealand music, therefore all programming is locally generated and all of the airtime is allocated to New Zealand programmes. At the commencement of service Kiwi FM will significantly widen the music format to include a greater range and number of New Zealand artists, and also introduce the NZ on Air funded Specialist Shows component. (Julian, 2006. p. 16)
Two further criteria are to be met by Kiwi FM – contribution to ‘New Zealand identity’, which is answered with ‘all programmes’ and contribution to ‘cultural diversity’ which is met by reference to the ‘Specialist Shows’ such as ‘High Noon Tea, a New Zealand dub and Reggae show’ and ‘in the broader sense all of Kiwi FM’s music programming’ as ‘New Zealand music is intrinsically culturally diverse’. These themes are the rhetoric that resonates so successfully through the process of securing government support for Kiwi FM, from Steve Maharey to Rick Julian. Karyn Hay and CanWest has skilfully constructed the proposal to line up with the government’s vision for New Zealand music that was about economic, political and social benefits. Articulating the Kiwi FM project this through ‘third-way’ memes was a highly successful strategy, which is made concrete in documents such as this (ibid.). To return to Brent Impey’s conception of this, ‘If there is a government policy objective in this area, in the area of music, to promote New Zealand music, we’re gonna do it’ (Impey, Personal Communication, 2006). From this point on, Kiwi FM had ceased to be just a radio network getting a hand-up from government and became part of government strategy to all intents and purposes. This was a very strong position from which to negotiate on other areas of disagreement such as structure, ownership, finances and reporting – a position of strength that Kiwi FM was to call on in the next phase of its development. For the Labour government, this was part of reinforcing its alignment with the creative sectors and the third-way politics of cultural production and the ‘cooler’ sectors of the economy. Being the saviour of Kiwi FM was strategically valuable, contrasting the progressive engagement with the creative industries with the arguments of the Te Huehue and the National Opposition who had not yet made these connections in the cultural sectors and therefore to the voters that celebrated them.
Chapter Seven

Progress, agreements, deadlines and Kiwi FM as a ‘special case’

Theoretically at least, Kiwi FM was to be viable, non-commercial, not-for-profit but also able to generate enough revenue to pay for its operations as well as be able to compete in any frequency allocation programme by 1 May 2007. In practice, this did not eventuate. Kiwi FM’s management had managed to establish an ‘Advisory Board’, with three ‘independent’ and two CanWest employees (the RadioWorks Director of Programming and Karyn Hay) to establish and work to a ‘Charter’ that defined its responsibilities as ensuring Kiwi FM provided what was promised to the government including playlist diversity, non-commercial and not-for-profit operation and various legal requirements around auditing and financial reporting. Of interest is a clause that directs the company to acknowledge a clause in the Constitution, which is also a standard document that is a legal requirement for registering a company (in this case, Kiwi Radio Limited) with the New Zealand Companies Office. It sets out the form, shareholding, directorships, audit practices, financial structure and directors’ duties in detail. The clause 9.4 is what is referred to in the Charter:

**Wholly-owned subsidiary:** Any Director may, when exercising power or performing duties as a Director, act in a manner which he or she believes is in the best interests of the Company’s holding company, even though it may not be in the best interests of the company. (Constitution of Kiwi Radio Limited, 2006)

The ‘holding company’ is of course RadioWorks, a subsidiary of CanWest. Clause 1.3 of the Charter of the ‘independent’ board reinforces the board’s status as subservient to CanWest:

Pursuant to clause 9.4 of the Company’s constitution, the Board may act in a manner which is in the best interests of the Company’s holding company, RadioWorks. (Kiwi Radio Limited Charter of Board of Directors, 2006)

It is therefore clear that from the start of the new Kiwi FM, it was intended to keep it within the RadioWorks stable of radio networks, despite earlier promises of independence and accountability. While the spirit, structure and legal structures established in these two documents portray a serious and professional attempt to fulfil the requirements of the licensing agreement, the reality would fall short, and the need to stay tied to RadioWorks was a major element in this shortfall.

In December 2006, nine months after the commencement of the new Kiwi FM and the due date for reporting on the new not-for-profit and sustainable structure, there were indications that the network
could not meet its obligations. Philippa Bowron of Steve Maharey’s office again contacted Martin Matthews of MCH to ask him to ‘please get involved to resolve’ the matter of a ‘short term extension’ to Kiwi FM’s licence in order for it ‘to get its act together and fulfil the requirements’ (Bowron, 2006). Saying that Maharey had ‘made it clear on numerous occasions that they would be off those frequencies after one year’ and it would not be acceptable to do anything other than that’ (ibid.). Referring to ‘our conversation a few weeks ago on Kiwi’, Bowron seems to be trying to get MCH to advocate for Kiwi FM to Maharey. The email is subsequently forwarded to Rick Julian and Murray Costello of MCH with ‘can we pse. [sic] address this?’ (Matthews, 2006). It seems here that Bowron, as Maharey’s advisor on broadcasting, has agreed to lobby the Minister on behalf of Kiwi FM to extend the licence, despite Maharey’s obvious resistance. This is a crux point in the Kiwi FM story as it becomes evident that Kiwi FM (and by extension, RadioWorks and CanWest) has been able to call on key people to influence decision makers at the highest levels. This demonstrates how government purposes around music had become inextricably linked to Kiwi FM and that the two camps had developed joined-up thinking around New Zealand music policy and its implementation. This ‘partnership’ model is third-way politics in action from the point of view of Maharey, MCH and the Labour government. It has more pragmatic commercial advantages for CanWest.

Complexity arises: A new spectrum allocation regime and the future of Kiwi FM

Complicating this situation is the emergence of a new class of non-commercial licences that was being created as part of an aspirational Labour government project to provide more non-commercial and localized radio services that would compete with the large radio networks for more specialized and/or geographically specific audiences. As part of the ‘Broadcasting Programme of Action’ initiated separately from the Kiwi FM situation, the government was planning to offer radio broadcasting licences in an auction under the ‘Regional and Community Broadcasting Policy Framework’. These could not be purchased by incumbent players, networked together with other operators and which had to contain significant local and live programming (Rosenberg & Mollgaard, 2010, pp. 93-4).

This was a Labour government election policy to attempt to ‘roll back’ some of the disadvantages of deregulated radio – the loss of localism, automation of programming and lack of local information and culture on the airwaves (ibid.). The new ‘non-commercial local’ licences allowed operators to be commercial broadcasters, but not to be owned by any incumbents or overseas interests. They also could not on-sell the licences to other players without prior government approval. They would be required to provide specific amounts of local news, cultural and historical programming and local music. They were to be geographical specific and unique, with a set number of ‘live-to-air’ hours per day and six-monthly reporting requirements to maintain their licences (ibid.). This development was happening at the same
time that Kiwi FM was lobbying MCH and Bowron to extend their licences, which now looked precarious in the changing spectrum environment.

This situation came to a head in late December 2006, with Rick Julian emailing Brian Miller, Manager of Radio Spectrum Policy and Planning at the Ministry of Economic Development, which was charged both with managing the spectrum engineering requirements and licence management for the new allocations as well as doing exactly the same for Kiwi FM (Julian, 2006). Here Julian informs Miller that because Kiwi FM’s licences expire on 31 May 2007, the MCH would like all engineering, public notifications and consultation papers, feedback from commercial, not-for-profit and student radio, adjustments to the policy, expressions of interest, tenders/auctions and allocations confirmed before this date, so as to allow Kiwi FM a chance to compete for the frequencies in order to stay on air (ibid.).

This is a remarkably tight timetable of six months for a major shift in broadcasting policy, one that was bound to antagonize commercial incumbents who stood to lose audiences to new players who would be entering the market at a considerably reduced cost as they would not be competing with the large financial resources of the multi nationals in auctions. There was also a lack of clarity about criteria and any government support for the new stations, and very little time for hopefuls to organize bids, gather financial resources and construct reasonable business and format plans in the one month allowed for expressions of interest and the tender/auction process proposed (ibid). Although the actual frequency allocations were to happen in June/July (a ‘staged implementation’), it is reasonable to assume that only an incumbent broadcaster could get to air that quickly – one that already had a format, physical studios and was staffed and organized (ibid.).

The driving factor behind this haste seems to be the continuation of Kiwi FM. Julian has been involved in the Kiwi FM discussions with Steve Maharey and informs Miller that:

The response from the Minister’s office was that any extension of Kiwi FM’s current licence term to fill the gap between expiry and possible allocation of new frequencies was unacceptable, that the Minister had made it clear Kiwi FM would, one way or the other, be off the “youth radio” reserved frequencies at the conclusion of the one year period. (Julian, 2006.)

It seems that at this juncture, Steve Maharey was maintaining his position on Kiwi FM fulfilling its obligations under the agreement that the government had proposed. Julian’s concern then was to speed up the process of the new licences being constructed in order to keep Kiwi FM broadcasting, if not continuously, then with very little interruption. Julian is clearly concerned that the framework and timetable is agreed by MED with haste, saying ‘sorry to drop this on you so late in the piece’ (acknowledging the three-week Christmas/New Year holiday days away), but also asking for MED sign off ‘before the end of January’ (about two weeks of actual time that the MED would be open for
business). Julian further affirms the importance MCH is putting on a resolution from MED by asking a veiled rhetorical question, one that gives Miller very little room to answer beyond complying:

If it is purely a question of priorities and whether or not other resources can be redirected to the task, what other priority work would be affected by such a redirection? (Julian, 2006.)

Despite this pressure, the MED was unable to comply because of the reality that ‘the technical engineering of additional frequencies will require significant planning and review’, projecting a completion date of August 2007, well after the Kiwi FM licences had expired (Millar, 2007).

Ultimately, the urgency in policy formation around the new licencing regime betrays the influence that CanWest had been able to exert on the bureaucracy of the Labour administration. This kind of ability to subtly drive policy formation in directions that suit the goals of business is almost impossible to see from outside the political system, and operates best this way, as it prevents public inquiry and examination that could cause disruption of timetables - let alone changes in policy - such as those described here. Significantly, a public consultation (beyond the one with other broadcasters) was not part of the proposed allocation process, completely removing the public’s voice from what was an attempt to provide more public broadcasting-type radio services (ibid.). Instead, the overall tone and direction of this document and the discussions between Philippa Bowron and MCH build a strong argument that the new ‘non-commercial local’ licencing policy was being created at a frantic pace and in a vacuum, with little consultation or deeper research and ultimately a lack of clear policy goals in order to ensure the survival of Kiwi FM. It seems technical complexity was critical in slowing down the process, but also in re-directing the efforts of Kiwi FM, Julian and Bowron into new strategies to keep Kiwi FM on free frequencies after the 31 May 2007 deadline; which was Maharey’s firm ‘line in the sand’ (ibid.).

A ‘special case’? Kiwi FM as different, deserving and critical to government strategy

At the same time that Philippa Bowron and Rick Julian were driving a renewal of Kiwi FM’s licences, Steve Maharey received a letter from John Isles, Chair of the Kiwi FM Advisory Board, arguing ‘a special case for Kiwi FM’ (Isles, 2006, p. 3). Isles’ goal is to secure more permanent free frequencies for Kiwi FM, noting that the new proposed non-commercial local frequencies would mean Kiwi FM could not operate as a network and would have to compete for frequencies in each market it wanted to be in and then run each operation separately, effectively costing Kiwi FM too much to continue broadcasting (ibid.). Isles presents a strong argument for the relevance and success of Kiwi FM – while avoiding any mention of ongoing poor audience numbers - to back his case, claiming that:

Kiwi FM has become a valuable tool for promoting New Zealand music … Kiwi FM has garnered overwhelming support from the creative community, and the wider music industry. It is the
“missing link” in a range of government-supported initiatives to promote New Zealand music locally and internationally … there is a lot of goodwill in the community towards Kiwi FM and ideas are flowing thick and fast … Kiwi is determined to make an even greater impact for New Zealand music should we continue broadcasting. (Isles, 2006.)

While these sentiments are positive and show ‘government initiatives that have synergy with an all New Zealand music station’ have potential to fulfil larger goals for the sector, there is no solid evidence provided for any of these claims, beyond ‘we are happy to provide letters of support from the industry which confirm that Kiwi FM has now largely silenced its early critics’ – not actual facts and figures that would support ongoing government involvement in the network (ibid.).

In addition, Isles points to difficulties in fulfilling the original Kiwi FM agreements on two major fronts, sources of revenue and independence from CanWest. On revenue, Isles argues that the original ‘50 per cent cap’ on advertising revenue means the network could not ‘recover its annual operating costs’, although if it was forced to retain the cap, ‘it may be possible for Kiwi FM to work within this parameter if we sacrifice the quality of our New Zealand music programming’ (ibid., p. 2). This would be a problem as ‘Kiwi’s programming philosophy is to champion New Zealand music that is of an international standard’ as ‘soliciting interest from international markets’ is ‘where the future lies’ as ‘we are already receiving positive response from international listeners, who in turn have sought to purchase New Zealand music online’ (ibid.).

This is another attempt to appeal to the Labour government’s desire to grow the New Zealand music market internationally, with Kiwi FM portrayed as an important potential element of this policy articulated clearly by Isles, again without any proof, but appealing directly to an area of government aspiration and providing another compelling argument both for continuation of the network for CanWest and for Maharey to use in discussions about changing his original decisions with government, the Opposition, the media and also the public. Isles and by extension, CanWest, had begun strategically broadening the Kiwi FM story from a cultural imperative to also an economic one, widening the network’s remit and trying to embed it in government thinking about expanding the market for New Zealand music, while giving it more arguments to rebut possible detractors.

Allied to this, but approached somewhat more carefully, Isles also argues for keeping Kiwi FM under the CanWest umbrella. Noting that ‘we know the government would prefer a structure for Kiwi FM that looks like other non-commercial broadcasters’, Isles makes a case for continuing as an ‘independent part of a commercial broadcaster such as CanWest’ as it benefited from ‘financial support’ as well as ‘hard assets such as transmitters, recording studios, broadcast studios’ and ‘avoids over-capitalisation and requests for subsidy from government’ as well as ‘free use of corporate “know-how” and processes
in regulatory, finance, legal, audience monitoring, and marketing and other radio network experience as applicable’ (ibid., pp. 2-3). Isles claims that the ‘advisory board … Constitution and Charter … arms-length service agreement between Kiwi FM and CanWest (including protocols that ensure transparent charges between CanWest and Kiwi FM)’ ensure ‘independence’ from CanWest, despite an obvious almost complete reliance on the company in order to broadcast, from studios and staffing through to lawyers and transmitters (ibid., p. 2).

Despite this, Isles claims that ‘CanWest has made a substantial financial commitment to support Kiwi FM as a socially responsible corporate that is willing to support the local music industry’ and not withholding ‘a small opportunity to explore advertising on the internet with Kiwi FM’ which was to be ‘accounted for quite separately’ … CanWest’s interest in Kiwi FM is not commercially motivated’ (ibid. p. 3). While these arguments are compelling in that they show Kiwi FM is able to continue, without government support, this is a major shift from both CanWest’s and Maharey’s position 10 months previously.

Finally Isles argues for a ‘separate allocation’ of frequencies for Kiwi FM to continue under the new spectrum regime, for the reasons already noted and because, in Isles’ words, ‘we believe that the New Zealand public would support a special allocation and Kiwi FM is willing to work with government to ensure that we resolve any issues that would restrict our ability to continue broadcasting in support of New Zealand music’ (ibid.). In addition, there was ‘no financial risk’, it would ‘represent extremely good value for the government in terms of meeting its New Zealand music objectives’ and that ‘Kiwi FM would expect there continue to be oversight of both the setting and achievement of these goals’ (ibid.). Ultimately, the letter was a request to allow Kiwi FM to continue broadcasting, but also to receive different and favourable consideration, not awarded to other potential or incumbent broadcasters as a ‘special case’, despite not being able to fulfil its original commitments on the two major clauses in the original agreement – independence and self-sustainability. To agree to these changes would be to ‘move the goalposts’ significantly and to change the nature of the relationship between Kiwi FM and the government.

**Bending the rules: Kiwi FM changing the game**

During the initial ‘substantive coding’ of the documents used here, a category emerged quite clearly that was evidence of Kiwi FM struggling to fulfil its commitments to government on several points, and the government’s mounting frustration over this. This ‘bending the rules’ became quite thematically important at this stage as it pointed to some ‘slippage’ between what was promised, negotiated and agreed and what was realistically possible as well as what actually happened as Kiwi FM struggled
through 2006 on its new frequencies. This category becomes essential to understanding how Kiwi FM evolved during this period and also how government thinking and engagement with Kiwi FM evolved too, giving some early insights into the outcomes of government-corporate partnerships such as the one studied here. Isles’ appeal therefore needs some context in terms of how Kiwi FM was operating under its new structure, how its management was attempting to fulfil its agreed obligations and also how the government and bureaucracy were monitoring the situation.

As early as July 2006, even before Kiwi FM had moved to the new frequencies it had won from government, concerns were raised by MCH with Karen Hay and CanWest about ‘comments made in recent discussions between Ministry officials and MediaWorks and Kiwi staff’. MCH Chief Executive Martin Matthews wrote to Hay at this time ‘concerned that there may be a difference in views regarding some aspects of the broadcasting arrangements for Kiwi’ (Matthews, 2006). Matthews goes on to ‘reinforce key government expectations relating to the recent decision to grant Kiwi the temporary use of a non-commercial radio broadcasting licence for one year only’, and makes two further unequivocal statements about the government’s position on Kiwi FM (ibid.). The first affirmed that granting the free frequencies was a ‘New Zealand Music Initiative’, noting ‘the debate around youth radio that has arisen from the location of the temporarily granted frequencies’ and that ‘regardless of how Kiwi may develop, the government will not consider Kiwi as fulfilling its intentions for a youth radio service’ (ibid.). This part of the letter acknowledges the high level of public interest and the ongoing debate sparked by Neill Finn and others after the announcement of the Kiwi FM deal. Significantly, Matthews is clear that Kiwi FM is not a broadcasting (my emphasis) initiative and therefore is not about CanWest creating a new radio network to replace the YRN, but is instead about delivering outcomes for New Zealand musicians, the local music business and related industries. Implicit here is that these outcomes are economic, social and cultural in nature, but they are in service of a national music initiative, not a commercial radio company.

The second statement reiterates the temporary nature of the frequency allocation and confirms that ‘there should be no expectation of continued use after the temporary licences expire’ and that if the new non-commercial licencing regime was completed later in the year that Kiwi FM ‘will be expected to compete against other broadcasters seeking one or more non-commercial frequencies’ (ibid.). Rounding off the letter is a final reminder that the government is firm on these points, with Matthews stating ‘I trust that this makes the government position clear on these issues’, before wishing ‘Kiwi all the best for the year ahead’ (ibid.). It seems that MCH was perturbed enough about the negative publicity and a developing ‘difference of views’ emerging from CanWest and Kiwi FM enough to make clear its expectations, in no uncertain terms, and in writing. There is a hint here that Kiwi FM and CanWest staff were going beyond the bounds of the original agreements in some form at this early stage, antagonizing
the MCH somewhat, but there are no file notes or other documents available to explore those concerns here.

**Frustration boils over: Reacting to criticism**

However, one particular episode is informative in that it was a departure from the cool and reasoned approach to publicizing and celebrating the Kiwi FM deal seen in earlier pronouncements about it in early May 2006, perhaps displeasing other parties involved in the situation. Karen Hay may have over-stepped the boundary somewhat with an unpublished ‘Op/Ed’ sent to the *New Zealand Herald* (the major daily newspaper of Auckland), that ended up as ‘two or three lines in the Letters to the Editor (beneath another convenient anti-Kiwi letter)’, that was then rewritten to ‘include a piece on what I term as the “propaganda” coming out of the *New Zealand Herald*’ (Hay, 2006). This was sent to ‘everyone in the NZ Music community and beyond, including Apra’ (with a request to forward to all its members i.e. songwriters and bands), NZMIC, Independent Music New Zealand plus all the media who have waded in with their misinformation, including student stations, *Close-up*, et al, and I have also posted it on all the blogs who have been having a field day with their conspiracy theories’ (ibid.). As well as this extensive list of recipients, the statements above come from an email containing the new Op/Ed that was itself sent to an exhaustive list of people including Philippa Bowron, Murray Costello and Rick Julian as well as key CanWest management staff Brent Impey, Sussan [sic] Turner (Chief of RadioWorks), Jana Rangooni (RadioWorks Head of Music Programming) and Rodger Beaumont (Chief of MediaWorks External Communications).

This letter has been noted previously, but is worth revisiting and further explication here as part of the discussion around how CanWest and the government perceived and constructed the Kiwi FM deal from different positions. The piece itself is strongly and emotively worded as it seems Hay was significantly upset at the angle taken by a reporter who covered the Kiwi FM story on the *Close Up* current affairs show a week prior, as well as being obviously frustrated at the ‘spin’ and ‘propaganda’ she perceived in objections to the deal (Hay, 2006). The letter is passionate and perhaps not as professional as earlier announcements from the government and CanWest on Kiwi FM, accusing the *New Zealand Herald* of bias, a *Close Up* reporter of ‘shouting’, the student radio stations of being ‘holier-

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42 Opinion/Editorial. An unsolicited opinion article sent to a major daily newspaper. These are regularly called for and published by New Zealand newspapers such as the *New Zealand Herald, The Dominion* and *The Press.*
43 Australasian Performing Rights Association, the music composer’s royalties collection organisation that sets, collects and distributes fees from music users on behalf of its registered members.
44 *Close Up* was the top-rating nightly current affairs programme, playing on TV One at 6pm, after the flagship national news programme.
45 The full letter is available here: [http://publicaddress.net/3168](http://publicaddress.net/3168)
than-thou’ and stating that ‘I don’t see why we should get our skipping ropes out just because Neil Finn says ‘jump” (ibid.).

The letter reinstates the government’s largesse and position, as well as the temporary nature of the frequency loan and also strongly defends CanWest and Brent Impey (who is referred to as He-Who-Must Not-Be-Named, a reference that is too oblique to comment on here). Although the message is consistent with earlier pronouncements, the tone is significantly more defensive, even angry at times – not the cool and calm language and delivery of a typical government or corporate communique, which may have done little to endear Kiwi FM to the media and the government, despite Hay claiming ‘tons of support’ and ‘forums on websites are already changing their tone’, without providing evidence for this (Hay, 2006). My own reading of the well-regarded blogs and forums referenced here is somewhat different46, as there seems to be some quite strong negative reactions to the letter that make valid points about the tone and accusatory nature of the piece – for example, student radio workers expressing amazement at the characterization of their work, another writer noting the distinct chance of commercial advantages for CanWest that was ignored by Hay and universal derision from Dunedin Music forum readers (see footnote).

It is at this point that it becomes evident that Kiwi FM had become ‘too big to fail’, in that the deep involvement of the MCH, the Minister and to a lesser extent the wider Labour government as a ‘third-way’ administration made Kiwi FM an exemplar of the broader policy programme – to renege on earlier agreements and public statements and stand aside while CanWest pulled the network from the airwaves would be tantamount to admitting the third-way agenda was failing. The Labour government had invested too much political and cultural capital in the re-birth of Kiwi FM as a touchstone in its efforts to re-engineer the creative industries into third-way institutions delivering cultural, social and economic benefits while moving the riskier commercial aspects onto businesses. While Hay’s status and emotive appeals on behalf of a national music culture were important in this, the wider and deeper project of reimagining the creative sector is revealed in the continued and firm government support for Kiwi FM at this juncture.

Kiwi FM starts over – and starts missing deadlines

The new Kiwi FM began broadcasting on the new temporary frequencies in Auckland, Wellington and Christchurch on 17 July 2006, featuring a new line up of shows including the NZOA funded

46 The full letter and some selected reactions to it that show some of the arguments and agreements around the Kiwi FM deal is available Russell Brown's Hard News blog here: http://publicaddress.net/hardnews/it-never-rains-/ and also on the blog of media academic Andrew Dubber here: http://andrewdubber.com/2006/05/guest-blogger-karyn-hay/, another interesting, if at times ‘colloquial’, set of reactions were posted to a local music blog based in Dunedin: http://www.dunedinmusic.com/phpBB3/viewtopic.php?f=11&t=910
programmes *LAN* (Indie, Alternative and New Show), the *Label Hijack Show* and *High Noon Tea*, a roots, dub and reggae show (music.net.nz, 2006). The new on-air line-up included several well-known musicians and actors, including Jason Kerrison of the popular band *Opshop*, soap and film actor Danielle Cormack, Fleur Jack of the rock band *Tadpole*, ex-student radio hosts Wallace Chapman and Glenn 'Wammo' Williams, Damian Alexander of the heavy metal band *Blindspott*, and two musicians with careers stretching back to the early 1980s, Andrew Fagan (the Music Director of Kiwi FM and partner of Karen Hay) and Dianne Swann (Wikipedia, 2013). The new Kiwi FM included the promised expanded and diversified playlist and a new sound created by fresh talent and a revamp of the station’s imaging and format (ibid.). On the surface, things were going well for the resurrected and refreshed network although behind the scenes, government concern was mounting over whether CanWest would comply with all of the elements of the agreement reached in February.

The first indication of this was a letter sent to Karen Hay from an ‘Adviser, Crown Reserve Broadcasting’ (name removed) from MCH on 20 September 2006’ (MCH, 2006, p.1). The MCH correspondent is significant here, as the agency inside of MCH dealing with Kiwi FM has shifted from the broader ‘broadcasting’ oversight role of Rick Julian, to the more defined role of the ‘Crown Reserve’, or non-commercial and public broadcasting Advisor working under Julian. This suggests that MCH was keen to show both CanWest and its stakeholders in government that they considered Kiwi FM a public broadcasting enterprise, as promised by CanWest and reiterated in policy advice, agreements and public statements.

This correspondence reflects these things and is also subtly, but clearly about reminding CanWest of its agreed obligations. The letter is ‘to remind you of the reporting requirements of the licence agreement’, and in particular the requirement to report every three months on progress to establish a constitution or articles of association of the Broadcaster that clearly show it to be a non-profit organisation within nine months’ and also that ‘the broadcaster will not operate for profit’ and ‘will develop a permanent fund-raising mechanism which shows it is financially viable and sustainable as a not for profit broadcaster … within nine months’ (ibid.). CanWest was also required to ‘provide evidence of the same to the Agent for the Agent’s approval’ to prove they had met their obligations (ibid.). More informally, the letter tells Hay ‘that we would very much like a brief report on your progress towards finalizing a constitution and your efforts to secure a permanent fundraising mechanism … just as soon as conveniently possible’, making it quite clear that MCH was committed to CanWest abiding by its agreements over Kiwi FM (ibid.).

47 These three shows attracted $113,000 in funding for one year of programmes (music.net.nz, 2006).
Hay and CanWest ignored this request for more than a month until they were again contacted by the Adviser on Tuesday 17 October 2006 (MCH, 2006). Noting that ‘I wrote to you four weeks ago and then talked on the phone about reporting requirements of your licence agreement with us’, the Adviser tells Hay to file the report with his line manager, Rick Julian as ‘I will be away the rest of the week’, putting a clearer deadline on the reporting requirement (ibid.). Hay replied the same day, explaining that the ‘Kiwi Advisory Board is due to have its monthly meeting this coming Thursday and I believe Clare Bradley48 will/or has been in touch with Rick this week in regards to reporting requirements’. Signing off with ‘looking forward to catching up with you soon’, it is hard to read this as anything else but a friendly snub, as nowhere does the reply agree to fulfil the request, even after three attempts by the Advisor to get the required report. This seems to be because of CanWest’s desire to negotiate the form and substance of the report more directly with Rick Julian, as the next day Clare Bradley emailed Julian to reassure him that ‘we are well advanced with the preparation of the report which will go before the Advisory Board tomorrow’ (Bradley, 2006). In order to placate and engage Julian in the formation of the report, Bradley goes on to offer an ‘outline draft to you just to make sure that what we have prepared (and will send you towards the end of the week) is what you are looking for!’ (ibid.).

The attached ‘First Quarterly Report: Draft’ briefly discusses the establishment of ‘Kiwi Radio Limited’, clauses in the company constitution about the not-for-profit status of the company, confirms a Charter has been agreed and discusses appointments to the Advisory Board (Kiwi FM: First Quarterly Report: Draft, 18 October 2006, pp. 1-2). It also briefly outlines the ‘financial model’, arguing that ‘RadioWorks is satisfied that the financial model for Kiwi FM is long term financially viable and sustainable within the RadioWorks overall structure’ with revenue coming from ‘advertising … NZOA funding for specialist programmes … sponsorship and “industry partnerships” through both sponsorship and involvement in key events’ (ibid., p.2). There is also some discussion of Kiwi FM advertising being sold as part of larger packages of ‘network’ advertising and accounting for the Kiwi FM element separately as well as discussion of establishing ‘market presence’ and increasing Kiwi FM’s advertising as a ‘serious part of the revenue mix’ (ibid.). In both the structural and financial elements, relating directly to clauses in the licence agreements discussed in the draft, there is the claim that ‘RadioWorks is satisfied that it has met the requirements of Clause (3.1 or 3.2) of Schedule A and seeks the Agent’s approval of these matters’, signalling the desired outcomes of the report for CanWest (ibid.).

Rick Julian reassured Bradley that ‘what you propose to submit in the way of a report and accompanying material looks most comprehensive’ but reaffirmed the need to fulfil the requirements

48 Clare Bradley was the Legal Counsel and Company Secretary for CanWest, a significant corporate role and part of the senior management team of the company at the time.
of the agreements, while hinting that there would be a thorough examination of the report and that there was a desire to hold CanWest to its agreed obligations:

> Once we have the formal report and its attachments we’ll be in a better position to evaluate your progress so far and comment on whether we consider Kiwi is on the right track in terms of future expectations (Julian, 2006).

This is the first indication that Rick Julian was perhaps slightly wary of the unfolding Kiwi FM situation, as reporting requirements were initially ignored, then delayed and the ‘draft’ report began to reveal some discrepancies between the public service aspirations of MCH and the realities of the commercial nature of CanWest in the Kiwi FM agreements. This would be borne out in the completed First Quarterly Report, submitted to Julian, Murray Costello, Hilary Hudson49 and the Chief Executive of MCH on 20 October 2006. It would be natural for Julian to act strategically after reviewing Kiwi FM operations under the new regime and find them not in line with government expectations. It is from here that concerns about Kiwi FM become more concrete and MCH attempts to apply subtle leverage to Kiwi FM in order to enforce compliance with earlier agreements.

**Shifting the goalposts: Questioning Kiwi FM’s independence, structure and finances**

The report eventually received by MCH has been discussed earlier (see above), but some key points noted earlier also raised the ire of MCH officials. In a letter to Brent Impney, this time from the Advisor, Crown Reserve Broadcasting (name withheld), several critical concerns over both the structure and financing of Kiwi FM under the rules of the licence agreement are raised (MCH, 2006). Under ‘status of Kiwi FM’, MCH points to descriptions of Kiwi Radio Limited as ‘wholly owned by CanWest’, of Kiwi FM being only ‘quasi-autonomous within RadioWorks’ and Clause 9.4 compelling Directors of Kiwi Radio Limited to ‘act in a manner he or she believes is in the best interests of the Company’s holding Company, even though it may not be in the best interests of the Company’, saying these elements ‘do not appear to meet the requirements of a non-profit organisation, nor does it show that Kiwi FM is financially viable and sustainable as a not-for-profit broadcaster’ (ibid. pp. 1-2). A critical point is raised here: ‘This status would not meet the criteria for the issuing of a non-commercial radio frequency’ (ibid.). In other words, Kiwi FM, on non-commercial frequencies, was not following the rules for those frequencies and therefore not abiding by its agreements with MCH.

Further to this was that this structure ‘would not meet the criteria for most of the bodies which grant donations, other than NZ on Air, and this impacts on compliance with the requirement for development

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49 Hilary Hudson is most probably the ‘Advisor, Crown Reserve’ mentioned earlier, as she is included here and also mentioned as a discussant in Clare Bradley’s 18 October 2006 email to Rick Julian and thanked in the body of Karen Hay’s reply to MCH letter critiquing the First Quarterly Report (see above and below).
of a permanent fund-raising mechanism which shows the Broadcaster is financially viable and sustainable as a not-for-profit broadcaster’ (ibid., p. 2). Alternatively, the claims made in the report about sourcing donations and grants were untenable and did not reflect the reality of funding Kiwi FM in a non-commercial manner. This part ends with a stark sentence, but no requirement to adjust the situation, simply saying ‘please advise if you are intending to change the status of Kiwi Radio’ (ibid.). It can be argued that the spirit of this sentence was a missed opportunity to redirect Kiwi FM back towards the original intentions and agreements between CanWest and MCH. Perhaps a more forthright directive to revisit the structure of the company to bring it in line with the requirements to separate it completely from CanWest, fund it from the not-for-profit sector and to ensure its autonomy as a non-commercial entity would have been what was needed to prevent the problems and complications of Kiwi FM that faced the government in the months and years to come.

The letter goes on to critique the budget for Kiwi FM, pointing out that the budget stated that Kiwi FM was to be more than 50 per cent funded by advertising revenue, generated by the ‘RadioWorks sales force selling Kiwi FM in combination with other RadioWorks’ products’, with the Kiwi FM portion ‘divided by internal adjustment’ (ibid.). This was counter to the licence agreement in that ‘a permanent fundraising mechanism would provide for at least 50 per cent of the station’s annual budget not being from the sale of commercials, and the broadcaster should raise that revenue itself rather than by way of internal adjustment’ (ibid.). In addition to this, MCH was concerned that ‘it is difficult to see how’ Kiwi FM could meet the requirement that the ‘the broadcaster’s service will be driven by programming tailored to a particular audience rather than the need to deliver a desired audience for advertisers’, as per Clause 3.6 of the licence agreement (ibid.). Again, a sharp, but not directive sentence asks Impey to ‘please advise what progress Kiwi FM is making on the development of a permanent fund raising mechanism in accordance with the Agreement’, arguably another lost opportunity to pull CanWest back on track to abide by its own promises (ibid.).

The final part of the letter does provide a modicum of authority and will, stating that compliance with such matters would be required should an application be sought for a non-commercial frequency or frequencies for Kiwi FM at the end of the one year licences’, but not saying that CanWest was already in breach of the original licence, as it observably was at that time. (ibid.). Impey was given two weeks to reply to the letter with ‘comments’ (ibid.). In summary, this letter points to a lack of willingness on the part of the MCH to enforce the agreement strenuously, rather than relying on cajoling and veiled threats around possible renewal of the licences. At this critical point, CanWest is developing the upper hand in the relationship, and it continues to stretch deadlines and obfuscate around the structure and funding of Kiwi FM in the coming weeks and months.
On 27 November 2006, two days before the deadline for comments, John Isles (rather than Brent Impey) replies to the report, claiming ‘we may have inadvertently mislead you’ (Isles, 2006). While it does seem the response to the First Quarterly Report by MCH did alarm Kiwi FM and CanWest somewhat, the letter promises to consider fundamental issues raised by you, together with issues of our own, and present a more general submission prior to Christmas’, both avoiding agreeing with any part of the MCH criticism and also avoiding replying in full to it on deadline (ibid.). In the same letter, a request for an extension to the next quarterly report is included, claiming that ‘the issues raised in your letter are of course separate from the quarterly report’ and that because Hay’s ‘team are working incredibly well under pressure’, the next report should be delayed ‘slightly’ (ibid.). It is hard to see how the ‘issues’ raised by MCH on 16 November could ‘of course’ be ‘separate’ from the next report, as they would seem critical to any reporting of the activities and structure of Kiwi FM in the first year under the licencing agreement. This attempt to disconnect Kiwi FM operations and the ‘issues’ raised in not complying with the agreement seems to be more of a stalling tactic than a deep reflection on the criticisms MCH makes on discovering the true nature of Kiwi FM’s structure and financing for the first time.

In a letter from Karen Hay to Hilary Hudson of MCH around the same time, Hay asks for an extension to the quarterly report due on 17 January 2006 as she would be on holiday ‘during the latter half of January’, after it was due (ibid.). Kay also acknowledges that Hudson’s response to the first quarterly report raised ‘several points’ and that she was preparing a ‘comprehensive document to reply to these points, and one which outlines where I see Kiwi heading in relation to the “Status of Kiwi FM”, and answers the questions raised in the sub-heading “Development of a permanent fundraising mechanism which shows the Broadcaster is financially viable and sustainable as a not for profit broadcaster” (ibid.).

The extension to agreed reporting deadlines seems a play for more time, after Hay and CanWest realized that MCH was (a) not happy with the structure and status of Kiwi FM, but also (b) seemingly increasingly determined to hold them to their agreed obligations. The almost two-month period between Hudson’s reply to the first quarterly report and the second quarterly report gave CanWest, Kiwi Radio Ltd and Hay time to try a new approach – arguing that Kiwi FM needed the flexibility to change the original agreements, even though ‘we know that the government would prefer a structure for Kiwi FM that looks like other non-commercial broadcasters’ (Isles, 2006). Ultimately, rather than addressing Hudson’s and MCH’s concerns, five weeks later Kiwi FM was arguing for consideration as a ‘special case’, that could no longer be expected to fulfil the original agreements of March 2006 in the 21 December 2006 ‘Request for non-commercial FM frequencies’ discussed previously.
However, government concern was mounting. In a 13 December briefing paper to Steve Maharey as Minister of Broadcasting, MCH discusses the progress report and its attempts to ‘reinforce our concerns’ in writing, directly to the Kiwi FM advisory board and in person with ‘CanWest executives’ (Costello, 2006, p. 1). The paper informs Maharey that the progress report:

- Raised concerns that the broadcaster has seemingly established structure which makes it no more than a wholly-owned subsidiary of CanWest RadioWorks Limited. A Kiwi FM advisory board has been set up, but the directors of the new company are all CanWest employees and required to act in the best interests of CanWest, even though this may not be in the best interests of the “quasi-autonomous” subsidiary (Costello 2006, p.1)

- Further, the paper relates that the ‘fund-raising mechanism being developed appears to essentially be based on advertising revenue’ and therefore ‘at odds with current non-commercial broadcasting criteria’ (ibid.). CanWest had responded to these concerns by saying that ‘the company clearly needs to re-evaluate the situation and will advise the Ministry of its position in the New Year’ (ibid.). Allied to these concerns was the imminent release of the new ‘local non-commercial’ licences, which Kiwi FM had expressed interest in, despite not meeting the non-commercial criteria, and even if they did by the time of release, would need an extension beyond the one-year limit to stay on air in order to take up the new spectrum allocations which would be made available only sometime after the one year period because of engineering and consultation requirements. The other options were for Kiwi FM to apply for ‘(regional) commercial licences, should it qualify, or shut down its operations’ (ibid. p. 2).

At this point MCH and the Minister of Broadcasting are in somewhat of a bind as they need to decide whether to robustly pursue the agreements made with CanWest over Kiwi FM, which could go as far as taking the free frequencies back if CanWest did not comply in a timely manner. Although it is hard to know exactly why this option was for all intents and purposes removed from the range of tools the government had to moderate CanWest’s behaviour, one clue is present in this document. A handwritten annotation, presumably by Steve Maharey as the briefing was for him only, is informative in revealing some of the thinking about how to ensure that the current developments, and what seemed to be developing in terms of the Kiwi FM structure and its funding would not embarrass the government if it was to be interrogated further in Parliament or in the media. The note reads ‘Yes. Could you talk to Karyn this week. Note: please find out what financial benefit CanWest get from this arrangement. ie costs and no redundancies’ (ibid. p.1).

The intention seems to be getting reassurance from Karen Hay that the ‘spirit’ of the agreements is intact, in that beyond the legalese and corporate-speak of the Charter and Constitution of Kiwi FM, CanWest is still playing the role of ‘good corporate citizen’ in a non-beneficial partnership with the government in order to promote New Zealand music. The alternative was thorny and potentially very
messy for the government’s image and stated position on promoting New Zealand culture. That is, being the government that shut down a New Zealand music radio station that wasn’t following a set of imposed rules. Here is a conundrum of third-way politics – the point when the ‘partnership’ aspect of the relationships between government and the commercial sector becomes about governments enforcing agreements and moderating the behaviour of business, makes the construct fraught with potential pitfalls. This is played out in the Kiwi FM story.

Here there is also some resonance with the mythical Radio Hauraki story discussed earlier, echoing through four decades of deregulation and relative broadcasting freedoms, and reminding the Minister and MCH that being seen as willing to shut down ‘progressive’ new radio services has negative connotations and perhaps specific implications at the polls for New Zealand governments. Although Radio Hauraki is not directly mentioned in documents, 2006 was the 40th anniversary of the ‘pirate’ broadcasters going to sea, with large scale promotions and celebrations by Radio Hauraki and a national tour of well-known rock bands attended by tens-of-thousands of Radio Hauraki fans, with a focus on 4 December, the day of the first official broadcast, in the national media.50 It is hard to imagine the Minister of Broadcasting not feeling this weight of history at the time the issues of Kiwi FM’s fledgling structure and future were beginning to cause concern for his portfolio and MCH. One of the subtler thematic strands of this thesis is the effects of the ongoing resonance of the Radio Hauraki story and the strong, cultural and social influences the myths around it have had over the broadcasting environment – for listeners, practitioners, businesses, bureaucrats and governments – making it an essential and unique facet of cultural and political practices in New Zealand broadcasting and its strong neo-liberal framework. This adds a certain level of background complexity to how broadcasting is discussed, negotiated and governed in New Zealand, at the Ministerial level and also across the broadcasting bureaucracy and broadcasting businesses. It is part of the way decisions are made and is somewhat evident here in the reluctance to overly chastise, let alone ‘switch off’ Kiwi FM. This set of cultural understandings is also a part of how missed deadlines, disagreements over structure, governance and finance and other deviations from earlier agreements that were not ‘punished’ became the norm during this phase of the Kiwi FM story.

50 Examples of this coverage and celebration include television stories, newspaper interviews and special reunion parties as well as reuniting the remaining ‘pirates’ for a special broadcast on Radio Hauraki, while the anniversary tour featured Th’ Dudes, Hello Sailor and Hammond Gamble playing 12 shows throughout New Zealand during October 2006. Sources:
http://tvnz.co.nz/view/tvone_minisite_story_skin/887350
http://radioheritage.net/hauraki/Radio_Hauraki_staff_40th_invite_020906.pdf
http://www.radioheritage.net/hauraki/PirateRadioHaurakiEvents.asp
Chapter Eight

Extending beyond the agreement: A conundrum for government

A contestable environment threatens Kiwi FM

As events unfolded the need for a Second Quarterly Report on Kiwi FM was subsumed by policy and engineering work around the release of the new, non-commercial radio spectrum under the ‘Regional and Community Broadcasting Policy Framework’ mentioned in chapter seven. Early in 2007 it became obvious to the MED that it would not be ready to offer the new spectrum at auction because of difficulties with ‘technical engineering of additional frequencies’ pushing the auction date out until October 2007, rather than the January/February 2007 preferred date of the Minister of Broadcasting (Millar, B. POL/1/24/1, 9 March 2007, p. 2). This put Kiwi FM in the precarious position of not being able to stay on-air after the May/July expiry dates of the free frequencies it had been allocated for one year as no other possible replacements would be available, whether it was considered a ‘special case’ or not under the new regime. It is at this point that it becomes clear to Steve Maharey that a decision must be made to either terminate the Kiwi FM experiment or attempt to get it back on track with a reprieve, qualified by further encouragement to significantly disengage from the CanWest corporate structure, become self-sustaining and to reflect more fully the conditions for being granted non-commercial licences under the auspices of evolving policy framework.

The MED Radio Spectrum Policy and Planning division was under pressure from the MCH on behalf of Kiwi FM to explain the options open to the network on expiry of its licences within the next three months. This necessitated clear and timely decisions from both the Minister of Broadcasting and the Minister of Communications who were also facing this conundrum in early 2007. Brian Millar, Manager of Radio Spectrum Policy and Planning at MED, along with an unnamed colleague engage both Ministers in a report with attached recommendations on 9 March 2007, requiring decisions from the Minister of Broadcasting by 16 March 2007 and the Minister of Communications by 28 March 2007, leaving around two months before Kiwi FM’s licences expired (Millar, B. POL/1/24/1, 9 March 2007).

The report, titled ‘Temporary Broadcasting Service: Licencing Options’, notes the decisions to make new spectrum available for auction in several categories, then notes the lack of progress in engineering these and then moves on to discuss ‘options for Kiwi FM’ as their situation was ‘part of a larger issue
affecting a number of other broadcasters … however, Kiwi FM were allocated licences outside the normal temporary licence allocation process and need to be considered separately (ibid. p. 2). The options presented reaffirm that Kiwi FM was ‘using frequencies reserved for Youth Radio [sic] on a short-term basis, as agreed by Cabinet’ and offer three simple, yet clear choices for the Ministers:

The basic options for Kiwi, irrespective of the frequency used, are to:

· enforce the existing expiry date (31 May 2007)

· allow short term extension (until the licence allocation is completed); or

· allow medium term extension (until a Youth Radio service is implemented) (MED, 2007)

There was notable support in the text from MED for Kiwi FM in discounting the first option that followed, with the authors arguing that ‘simply enforcing the present expiry date is difficult to justify as there has been no other opportunities for Kiwi FM to acquire other frequencies’ and ‘it would reduce the New Zealand music content to listeners’, the last part not being the remit of spectrum planning in MED, which was in 2007 charged with asset allocation and the smooth technical operation of radio spectrum, not cultural goals, which is the remit of MCH (MED Radio Spectrum Management Annual Report 2007, p. 9). Extending further into MCH’s purview is the statement that Kiwi FM could only ‘realistically’ exist through ‘government policies’ as CanWest would not conceivably allocate Kiwi FM its existing commercial frequencies because of their profitability compared to Kiwi FM’s (Millar, 2007, p. 3).

This evaluation of Kiwi FM’s value and future is given even when acknowledging that ‘there is little evidence yet that the general public support Kiwi FM’; instead, the authors argue that ‘from a music industry perspective, the cessation of a New Zealand music station for essentially administrative reasons could be seen as difficult to justify’ (ibid.). Again, this advice seems to go beyond the technical remit of MED as advisors on spectrum use, not cultural policies. Beyond these arguments is advice that CanWest might take out a legal injunction against the frequencies being taken off Kiwi FM, although this is briefly discounted as ‘low risk of success’ for CanWest (ibid.).

In light of these opinions, MED offers two alternatives which essentially argue for the status quo for the short to medium term. The first offered is a ‘short term extension’ to the ‘temporary use of the Youth Radio frequencies’ which would keep Kiwi FM on air — albeit in a state of limbo — until the allocation process for the new frequencies was completed ‘in 2007’ (ibid.). Considered in this approach
was a ‘pro-forma Expressions of Interest process for Kiwi FM at an early date, pending the availability and technical details of such licences’; essentially a special allocation process just for Kiwi FM, that would exclude any competitors for such licences (ibid.). This was discounted as not suitable as it would leave CanWest without confidence in geographical coverage and transmitter costs, ‘creating scope for less than optimal outcomes and external challenge’ (ibid.). Here again is an assumption that Kiwi FM should remain on-air, and that it should be made easy for CanWest to do that.

The second and final alternative was ‘Medium term use of the reserved frequencies’, which could be ‘perhaps several years until a Youth radio service eventuates’ as ‘it may be desirable for the service to continue using the Youth radio frequencies from a spectrum utilization perspective, rather than have them lie idle’ (ibid., p.4). This approach had two distinct ‘risks’, with the first being that ‘other broadcasters may feel the Kiwi FM service is being given favourable treatment’ (ibid. p.4). This would be:

Mitigated if other non-commercial broadcasters are given the opportunity to compete for the temporary use of the frequencies, and if it can be demonstrated that Kiwi FM, should it be the successful bidder, is independent from CanWest and there is no opportunity to benefit commercially from the station. (MED, 2007, pp.4-5)

The second ‘risk’ was that ‘proponents of Youth Radio may feel that it is unacceptable … if they are not specifically implementing a dedicated Youth Radio service’ (ibid., p.5). Mitigating this risk was:

The extent that Kiwi FM might meet government’s Youth Radio broadcasting objectives. The Youth Radio concept includes the broadcast of New Zealand music produced by or intended for the younger generations(s), and it can be argued that Kiwi FM is providing this aspect of a Youth Radio service. (MED, 2007, pp. 4-5)

Here again the MED advice seems to cross into cultural policy, beyond the Ministry’s area of oversight. Given that MED is positioning itself in this space in this advice, it is again noticeable here that there is clear support for Kiwi FM – as it was being programmed at the time, rather than questioning the utility of a service that was delivering ‘little evidence’ of support from the ‘general public’(ibid., p.3). Here the MED offers an insight into the far-reaching nature of the entrenched deregulatory environment pervading New Zealand broadcasting and by extension, policy formation and implementation in broadcasting governance in New Zealand. The format and programming of Kiwi FM does not come into the equation when offering this advice as:

The radio station is a subsidiary of CanWest, it is also considered inappropriate to closely determine the content that Kiwi FM may broadcast. Therefore despite any non-profit, arm’s length arrangements that may evolve, the medium term continuation of the licences is not favored. (MED, 2007)
This statement assumes that the government should not have a role in promoting particular (in this case, more ‘youth’ focused) programming on a service that it was occupying, for free, spectrum allocated for specialist public broadcasting, because the operator is a commercial enterprise. Instead, the preferred option is to discontinue the licence when a suitable alternative can be found, therefore not antagonizing the commercial operator. This points to a more neo-liberal evaluation of the Kiwi FM situation from MED in contrast to the more third-way approach of MCH, perhaps understandable considering the different focuses of the two Ministries, but informative in that it reveals the ideological background the situation was developing in and also the ongoing influence of neo-liberal ideology in parts of the Labour administration.

A final consideration is offered, somewhat foreshadowing the situation as it stands at the time of writing. The MED notes that the longer Kiwi FM is allowed to continue using the Youth Radio allocation, the more the ‘difficulty in forcing the cessation of such use’, pointing to concern over clashing with CanWest, a powerful media operator and significant lease-holder of frequencies in the New Zealand broadcasting market at the time (ibid., p.5).

In weighing up these concerns, MED comes to a final ‘conclusion’ that forms a recommendation to the two Ministers ask that they agree to a short term extension of the Kiwi FM licences on the Youth Radio spectrum as:

On balance, the short term extension of licence, specifically linked to the implementation of allocating additional frequencies is preferred. Other options involve risk for little practical gain, or potential adverse longer term outcomes. (MED, 2007)

In addition, it was noted that it was ‘undesirable to force these services to cease until present policy decisions concerning additional licences are implemented in the second half of 2007’, which offered a more specific timeframe than the somewhat nebulous ‘medium term’ considerations (ibid., p. 6). It was also noted that a ‘pro-forma Expression of Interest process’ carried ‘several risks’, including ‘external challenge, a lack of actual frequencies, adverse public reaction and credibility and financial risks to the Crown’ and was therefore not recommended by MED (ibid.). Unsurprisingly, both Ministers had agreed to the MED recommendations within days.

In a letter dated 14 March 2007, five days after the MED policy advice was distributed, Steve Maharey writes to the Chair of the Kiwi FM Advisory Board, John Isles, in order to ‘clarify the position on a number of issues discussed at a recent meeting between some of the Kiwi FM Advisory Board and officials from my office and the Ministry of Culture and Heritage’ (Maharey, 2007, p. 1). The letter confirms that ‘the government will not allocate frequencies to Kiwi FM in advance of a contestable
application process’ and that on completion of that process Kiwi FM would have to vacate its temporary spectrum ‘as the government is committed to retaining these frequencies for future allocation’, signalling both a contestable environment for Kiwi FM’s future and ongoing consideration of a public Youth Radio service in the future (ibid.). Maharey goes on to reinforce the future of Kiwi FM as ‘competing for the right to use other frequencies’ while acknowledging ‘Kiwi FM will incur costs in moving from the current set of frequencies’ as ‘it was made very clear last year that the use of the 102 frequencies was only going to be temporary’ (ibid.).

Despite this relatively hard line approach on the issue of frequencies, Maharey does make some important concessions on wider issues as ‘Kiwi FM will be an unusual applicant as it will be seeking frequencies in different cities’ which ‘may conflict with the criteria for non-commercial licenses as these tend to be single location services’ (ibid.). This issue was not considered ‘insurmountable’ as the Minister was expecting MCH ‘to consider all relevant factors’ in the new allocation processes, including ‘The extent to which Kiwi FM offers a special interest service not being provided by other broadcasters, and the benefits of the service in supporting the achievement of other government objectives’ (Maharey, 2007).

Here Maharey is echoing the evolving CanWest strategy for the continuation of Kiwi FM as a no-cost, no-risk service in support of ‘government objectives’ around New Zealand music as cultural and economic goods mentioned earlier and writ large in these statements opening the ‘2007 Annual Report’ from the Kiwi FM Advisory Board:

The primary objective of Kiwi FM is to contribute to the government’s wider objectives of supporting, developing and fostering New Zealand music … we are global in our outlook and aim to be progressive and forward thinking, providing a platform for all things New Zealand to be launched into the local and global arena’. (Isles, 2007, p.1)

By aligning with CanWest’s declared intentions for Kiwi FM, Maharey is reminding Isles and the Advisory board that their ‘special’ status on the radio spectrum relies on their ability to make the government look like it has a successful strategy operating in support of the wider New Zealand music industry.

The letter goes on to reiterate early concerns over Kiwi FM’s close ties to CanWest as well as its financial viability, citing ‘two issues that need to be addressed’ – structure and revenue (ibid., pp. 1-2). Under ‘Structure’ Maharey notes that as a ‘subsidiary company of CanWest’ was ‘likely to cause difficulties in applying for a longer term non-commercial licence’, adding that ‘I advise you to encourage CanWest to consider whether an alternative structure can be put in place that reduces perceptions that Kiwi FM is too closely connected to CanWest’ (ibid., p. 2). Noting that he would prefer Kiwi FM to be
‘fully separated’ from CanWest, but appreciating that CanWest ‘may wish to maintain some involvement’, Maharey felt ‘confident that an arrangement can be developed that allows some involvement about also appropriate separation’ (ibid.) from CanWest, somewhat of a back down on his earlier insistence on full autonomy for Kiwi FM (see above) that is arguably more concerned with ‘perceptions’ about the station’s relationship to CanWest that reflected poorly on the government.

Under ‘Revenues’, Maharey reminds Isles that the ‘non-commercial framework provides that a maximum of 50 per cent of revenues can be secured from commercial advertising’ and that Kiwi FM could only compete for the new licences if it could ‘demonstrate that it has made arrangements to secure at least 50 per cent of its revenue from sources other than broadcast commercials’ (ibid.). Maharey also notes that he is sympathetic to the time it takes to ‘build relationships with sponsors and funders’, but also notes that ‘your ability to be “on-air” and demonstrate the value of your service is an advantage that most other applicants will not have had’ (ibid.), reinforcing again the government’s concern over its original public assertions over Kiwi FM’s special status in the wider radio market being eroded by a lack of progress on agreed conditions for Kiwi FM’s continuation.

In the closing paragraphs Maharey reassures Isles that he is working on completing the new non-commercial allocation process and that he was aiming for ‘certainty about when and how the allocation round would take place’ (ibid.). Further, Maharey congratulates ‘the team that has re-shaped Kiwi FM over the last year’, adding that ‘there is no doubt Kiwi FM is achieving the on-air broadcast service, backed up by the web broadcast, which everyone hoped for’ (ibid.). It is not clear who Maharey means by ‘everyone’ here – whether it is government, bureaucrats, listeners, the music industry or a combination of some or all of these groups. This is perhaps a reminder that the expectations around Kiwi FM go beyond the conversations taking place here and into the broader context of public discussion. These positive remarks lead to another reminder that Maharey expected Kiwi FM to fulfill its part of the bargain in that ‘the challenge now is to ensure Kiwi FM is organized in a way that enables you to successfully compete for on-going non-commercial frequencies’, a clear signal that the government wanted progress on the obligations CanWest had agreed to over Kiwi FM, and that its future depended on it. Finally Maharey passed the Kiwi FM issue back to MCH, saying ‘please keep in touch with Murray Costello at the Ministry for Culture and Heritage, as your plans develop’ (ibid.).

However, the process of creating a new allocation of non-commercial spectrum was not going smoothly because of technical difficulties in engineering the available frequencies so that they would not interfere with other spectrum users, but also because of delays in consulting existing broadcasters, potential users of the new allocation and other interested parties (Millar, 2007, p. 2). Murray Costello from MCH wrote to John Isles six weeks later to notify the Kiwi FM Advisory Board of ‘a much greater
delay than expected in finalizing the technical parameters for the new frequencies’, meaning ‘allocation decisions on non-commercial licences are not expected before November-December 2007’ (Costello, 1 May 2007, p. 1). Confirming the extension to the licences granted by the Minister of Broadcasting, Costello goes on to reaffirm the government’s position on the structure and revenue generating systems of Kiwi FM, stating:

This is subject to the station demonstrating to the Ministry for Culture and Heritage, by the time the current licences are scheduled to expire on 31 May, sufficient progress towards adapting Kiwi FM’s operations in a manner that will make the station eligible to be considered for non-commercial licences … This is consistent with the original requirements of the licence agreement, between this Ministry, the Ministry of Economic Development and CanWest RadioWorks, dated 1 May 2006. (Costello, 2007)

John Isles replied to Murray Costello two weeks later with a ‘Sufficient Progress Report’ (Isles, 14 May 2007). Isles claims that Kiwi FM is clearly a ‘not-for-profit organisation’ because it is ‘governed by a board of directors with support from an advisory board that include independent appointees’ (ibid., p. 1) and the ‘Kiwi FM’s key documentation further demonstrates operation independence from CanWest by virtue of its interlocking Constitution and Agreements’, namely the Charter, the Constitution, the ‘Services Agreement’ between CanWest and Kiwi FM and the licence agreement with the government (ibid.). It is arguable that these documents alone point to a not-for-profit status without an actual balance sheet of income and outgoings demonstrating how much revenue was generated and how it was spent51, and the fact the board of directors were all CanWest staff, legally bound to act in the best interests of CanWest (see above), a commercial enterprise that must maximize profits for shareholders make this statement somewhat disingenuous.

Under ‘Directorship’, Isles notes concern over the CanWest board of directors, but claims it was a ‘necessary corollary’ to CanWest’s ‘financial and logistical support’ which was ‘invaluable during this start-up phase’ (ibid.). Isles proposes two alternatives that the Advisory Board were ‘exploring’; to either make the Advisory Board ‘formal Kiwi Directors alongside the current directors’, or ‘Advisory Board members would completely replace the current directors’, with ‘the necessary changes … made prior to entering the proposed contestable process for non-commercial licences’, if either of the options were ‘acceptable’ (ibid. p. 2). Isles does not elaborate on to whom the options were expected to be ‘acceptable’ to, therefore not explicitly asking for approval either from Costello or the government.

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51 On this point I note that nowhere in any document I received under the Official Information Act were there any figures showing costs, revenue, profit or loss associated with Kiwi FM. While the Act does allow for withholding documents for ‘commercial sensitivity’, it would seem that a ‘not-for-profit’ by its very definition has no recourse to ‘commercial sensitivity’ as a way of avoiding releasing this information. Instead, I believe the government never asked for, or never received this information from CanWest, which would have provided critical insights into how the CanWest-Kiwi FM relationship worked in reality.
Under ‘Revenue’ Isles does not engage on the issue of reducing advertising income to 50 per cent but instead bemoans the Kiwi FM financial situation as ‘because like most new networks, Kiwi FM is currently facing a number of funding challenges’ (ibid.). These included ‘Environmental buys/advertising income takes time to develop in line with the maturity of the radio station’, ‘uncertainty over frequency tenure’ contributing to ‘advertiser hesitancy’ and ‘the lack of survey data’ meaning that the ‘sales team do not have the figures they need to attract advertisers’ (ibid.). Again this is somewhat disingenuous on two points. Isles claims ‘potential media fallout’ forced Kiwi FM to not participate in the most recent ratings surveys, without explaining what this ‘fallout’ was and how it would harm the station, while at the same time saying revenue had been hurt by a lack of ratings data (ibid.). This is not logically consistent and in fact blurs the situation while again avoiding addressing the MCH’s concerns over revenue generating structures. Further, the attempt to pin advertiser hesitancy’ on ‘uncertainty of frequency tenure’ is an attempt to shift blame for poor performance onto the government while again avoiding the issue of revenue agreements (ibid). The argument itself does not hold up to scrutiny as there is no reason that advertisers could not buy short-term advertising packages, not be bound to long term ones that might not be fully utilized if the station lost its frequencies. Both of these arguments fail to answer MCH or Minister Maharey’s concerns about the revenue structures Kiwi FM was creating and actually serve to obfuscate the situation further, allowing Isles and the Advisory Board more time to come up with new strategies to stay on air while not fulfilling the original requirements of the frequency usage agreements. In addition, Isles is pleading a ‘special case’ for Kiwi FM, arguing that it has unique status and should not be held to earlier agreements because of issues beyond its control. These issues of lack of data and advertiser hesitancy (if genuine) seem perfectly predictable before asking for government assistance and agreeing to a not-for-profit structure a year earlier. Notably, none of this discussion acknowledges the May 31 deadline set by Costello, but pushes these critical decisions out into the future ‘before the allocation process’, despite the insistence on progress from the Minister of Broadcasting and MCH (ibid.).

Two particular activities undertaken around the same time by Kiwi FM point to the Advisory Board and CanWest trying to develop new avenues to secure special consideration for the network in the upcoming allocation process and prepare the ground to renegotiate the requirements of the non-commercial licences they had agreed to. The first was a campaign to secure, in writing, clear support for Kiwi FM from the New Zealand music industry, including musicians, NZOA, record companies, city council economic planners, record stores and music critics. This effort started in early March 2007, well before discussions around extending Kiwi FM’s licences started, and continued throughout the year, until they were presented as part of the 2007 Annual Report as ‘Support Letters for Kiwi FM’ (December 2007, pp. 1-25). Some of the biggest names in New Zealand popular music lent their support
to Kiwi FM, as well as record company luminaries from SonyBMG Music New Zealand and well-regarded independent label Arch Hill Recordings (ibid). Two government agencies operating under MCH, NZOA and Creative New Zealand (CNZ) also backed Kiwi FM. Brendan Smyth of NZOA, noting that NZOA’s ‘New Zealand music mission … is to infiltrate commercial radio’, Kiwi FM was functioning in support of their ‘second stated New Zealand music objective’:

Exploitation of opportunities to promote difference and diversity in New Zealand music so that those making music outside the commercial mainstream are also heard. (Smyth, 2007, p.1, quoting NZ on Air Statement of Intent 2006/2007, p.13)

Smyth details a spend by NZOA of $363,000 in the previous year on 28½ hours of radio shows per week and while not arguing for an extension of Kiwi FMs licences, shows support for the network’s achievements to date. Stephen Wainwright, Chief Executive of CNZ, an agency charged with funding and supporting ‘non-mainstream’ artistic endeavours (including music) was more effusive in his support for Kiwi FM, saying ‘it broadcasts great New Zealand music which would not otherwise get any airplay’ and that it was ‘apparent that Kiwi FM is uniquely placed as a platform to complement and support other existing New Zealand music initiatives’ (Wainwright, 2007, p.1). The letter refers to a meeting held between Wainwright and Karen Hay and Justine Wilkinson of Kiwi FM and finishes by confirming ‘We are most supportive of the good work achieved by Kiwi FM to date and look forward to working together in the future to achieve mutual goals’ (Smyth, 2007).

Again, this letter is not specifically about frequency issues, but another important show of support for the idea and work of Kiwi FM in principle that could be used to show the relevance of the network in future discussions. The overall tone of the package of ‘letters of support’ is congratulatory, positive and enthusiastic, and designed to lend more credence to the claims of Isles, Hay and others that Kiwi FM was as important part of the government’s New Zealand music strategy and perhaps even, worthy of ‘special status’ in the upcoming non-commercial frequency allocation process. Although the roll call of supporters was by no means extensive, missing many big names in popular music and the music industry, it reads as a powerful industry endorsement of Kiwi FM’s work to up until December 2007. It is also notable here that the New Zealand Music Commission is not included in the letters of support, reflecting its disappointment with how its earlier correspondence had been used by CanWest to bolster the bid for free frequencies for Kiwi FM. There is also no mention in any of the letters of listenership figures or other impacts of the network on audiences, instead the general thematic argument id about the ‘importance’ of Kiwi FM, rather than any quantitative evidence or independent evaluation of its

Supportive letters were tabled from Michael Bradshaw, Managing Director of SonyBMG, Ben Howe, Manager of Arch Hill Recordings, well-known New Zealand musicians Jordan Luck from The Exponents, Chris Knox, Jason Kerrigan of OpsShop, Don McGlashen, Warren Maxwell of Trinity Roots as well as respected music critic Graeme Reid and writer and commentator David Slack among others.
success as a promoter of New Zealand music to mass media audiences. This strategy is used throughout the data studied here and there is no evidence it was challenged or interrogated by the government or bureaucrats.

Gathering allies and applying pressure

There was a second tranche to this strategy of garnering outside support for Kiwi FM – to engage other Labour politicians to advocate for the network to the Minister of Broadcasting. Justine Wilkinson, on behalf of the Kiwi FM Advisory Board, secured a meeting with MP for Central Auckland, Minister for Auckland Issues and Associate Minister for Arts, Culture & Heritage (a position that made her Associate to the Prime Minister, Helen Clark as Minister for Arts, Culture & Heritage), Judith Tizard, on 27 April 2007, during ongoing discussions between Kiwi FM, the Minister for Broadcasting, MCH and MED over frequency extensions and future allocations for Kiwi FM (Wilkinson, Notes on Kiwi FM, 2007, pp. 1-3). It is important to note here that Tizard was a close associate of Clark at the time and was somewhat ‘under her wing’ as a strong supporter in the broader structure and organisation of the Labour administration. This gave Tizard a certain amount of capital in the organisation and her close proximity to the Prime Minister as an Associate Minister to Clark in Arts, Culture & Heritage made her a potentially valuable ally in arguing for Kiwi FM if she could be added as a supporter. In a document of ‘notes’ to the Minister after the meeting, Wilkinson repeats much of Isles’ early correspondence with Steve Maharey and uses excerpts from the ‘letters of support’ gathered to reinforce the importance of Kiwi FM and to ask for support from Tizard. Repeating the lines that Kiwi FM’s ‘primary objective … is to contribute to the government’s wider objectives of supporting, developing and fostering New Zealand music’, that Kiwi FM’s association with CanWest was ‘the most efficient way’ of staying on air and that ‘CanWest’s interest is not commercially motivated’, while reiterating Isle’s arguments about revenue problems because of newness, lack of ratings and frequency tenure, Wilkinson is helping Tizard prepare a strategy to approach the Minister for Broadcasting to argue for Kiwi FM as a special case in considering future frequency allocations (ibid.).

This came to fruition two weeks later with a ‘Memo’ directed at Steve Maharey on 9 May 2007 from Judith Tizard. (Tizard, 2007, p. 1). Tizard contacts Maharey ostensibly because ‘Kiwi FM operates in Auckland’ (therefore claiming the situation as under her purview as Minister for Auckland Issues), in order to inform Maharey of her meeting with Justine Wilkinson and Karen Hay and ‘pass on their concerns’ over ‘on-going access to the non-commercial frequencies they occupy at present and their financial viability’ (ibid.). The Minister states, ‘It appears to me they are a useful and unique radio network which complements the other work we are doing around New Zealand music’ and that she would ‘be grateful if you keep me informed of your deliberations around the future of these non-
commercial frequencies, particularly as it applies to Kiwi FM and New Zealand music’ (ibid.). The Minister also repeats the Kiwi FM Advisory Board argument that ‘insecurity over frequencies means developing viable, long-term advertising or other sources of income make it extremely difficult for them’ (ibid.). Tizard ends with strong support for the ‘special status’ for Kiwi FM argument, stating ‘I know that while they have a small number of listeners they are a valued part of the broader New Zealand music scene and I urge your sympathetic consideration to their issues’ (Tizard, 2007).

This is quite a bold statement, which is an attempt to intervene in the portfolio matters of the responsible Minister, which is not seen anywhere else in the documents covered herein, therefore making it quite an unusual approach from Tizard. Here too Tizard is arguing the case for Kiwi FM as a music initiative, not a broadcasting one, reflecting again the Kiwi FM strategy of being valuable by aligning with government goals around the music industries while playing down the advantages of a commercial radio network in the three main cities using frequencies assigned to a potential non-commercial government-funded competitor. Steve Maharey received the memo on 10 May 2007 and responded to Judith Tizard a month later on 11 June 2007, in a letter that was also forwarded to Karen Hay of Kiwi FM.

Maharey begins his reply by agreeing that ‘Kiwi FM is a unique radio station, and that it usefully complements the government’s work in supporting the New Zealand Music industry’ (Maharey, 2007, p.1). In response to Tizard’s call for ‘sympathetic consideration’ for Kiwi FM, Maharey is unequivocal, noting that he was ‘aware too of the issues around the station’s ongoing access to frequencies’ and that ‘MCH has been working with Kiwi FM representatives on issues specifically relating to structure and funding, to re-position it as a reconstituted not-for-profit-organisation … to compete on equal footing for new frequencies, with other non-commercial stations’ (ibid.). To finish, Maharey asserts his position clearly, stating that:

> Like other applicants, Kiwi FM need to meet the criteria for a non-commercial radio licence, by satisfying the Ministry for Culture and Heritage that it is viable as a not-for-profit organisation and that it is broadcasting content that fulfils the non-commercial policy criteria. *I will not be making a special case for Kiwi FM.* (my emphasis) (Maharey, 2007, p.1)

It is telling that this letter was also sent to Karen Hay, with the Minister, perhaps expressing some frustration with what can be seen as pressure over Kiwi FM applied obliquely through a colleague, also giving Hay a clear message: Kiwi FM will follow the rules – or fail.

Hay and Maharey were to meet for a final time on 3 October 2007 to discuss the future of Kiwi FM in light of the changes proposed by Isles in March and the development of ‘draft criteria’ for the new non-commercial frequencies allocation process (Julian, 2007, p. 2). In a briefing prepared for the Minister by Rick Julian (who has already been discussed as notably supportive of Kiwi FM), the Minister
is advised that the proposed changes to the governance structure and alignment of Kiwi FM with CanWest would ‘ostensibly meet the draft criteria for non-commercial licences’, but also that ‘Kiwi FM’s chances of obtaining licences in all three of their current broadcast markets is unlikely, given the anticipated availability of non-commercial frequencies’ (ibid. p. 1). Julian goes on to state that Kiwi FM ‘intended to set up as a not-for-profit with a majority of independent directors’ and was edging closer to fulfilling the requirements to compete for non-commercial licences (ibid., pp. 2-3). Advising that ‘demand for frequencies is likely to be heavy’ and that ‘as things stand, there will be a lot of disappointed potential applicants, including Kiwi FM, in the Auckland area’ because of technical difficulties in engineering appropriate frequencies that would not interfere with other broadcasters in the crowded spectrum of Auckland (ibid. p. 4).

Julian also points to serious potential competition in Wellington and Christchurch, the other two markets Kiwi FM operated in meant ‘Kiwi FM’s chances of obtaining licences in all three of their current broadcast markets is unlikely’ (ibid. pp. 1-4). Julian also points to some concern over rushing the allocation process, which might not be able to run before the expiry of Kiwi FM’s extension in December 2007 and recommends that if that was the case, ‘an extension to Kiwi FM’s licences be considered’ and that ‘no premature steps be taken to secure the revocation of Kiwi FM’s current licenses’ be considered until the allocation process had taken place, effectively arguing for an open-ended extension of the frequencies (ibid., pp. 1-5). Julian further recommends that Kiwi FM be allowed to see the available non-commercial frequencies and allocation process as it would either respond to the call for expressions of interest or determine for itself that there is no further point in proceeding’, relieving the government of the burden of enforcing expiry dates on Kiwi FM’s current licences, but again also extending Kiwi FM’s tenure on its frequencies until the allocation process was finished, at an unspecified date in the future (ibid., p. 5).

No notes exist of the meeting between Karen Hay and Steve Maharey, but the outcome was another extension to the Kiwi FM licences, originally until 30 June 2008, in line with the advice from Rick Julian and MCH (Costello, 2007, p. 1). That there are no notes on record from this meeting is extraordinary in itself as it reveals a lack of formality in the process of what transpired from the meeting (another extension of the frequencies without public discussion) and also a lack of transparency in what was the use of public assets by private organizations who were themselves not being transparent with the government or the public about their use. Further to this, another extension to December 2008 was granted after a conversation held at the Radio Broadcasters Association Christmas drinks between Brent Impey of CanWest and Steve Maharey, where the Minister is quoted by a CanWest employee as saying he had no problem with extending the licences for a year (Wilkinson, 2007, p.1). Following up on this conversation, Justine Wilkinson emailed Jo Tyndall, Acting Head of the Broadcasting Unit at MCH, on
13 December 2007 to ask for confirmation that this could happen, arguing that ‘as you know, the time and costs involved of [sic] rolling over these non-commercial frequencies every 6 months is extremely burdensome for a non-commercial radio station such as Kiwi. Therefore MCH’s support on this matter would be greatly appreciated’. Wilkinson and Tyndall seem to have a warm relationship, with Wilkinson beginning the email with ‘It was great to catch up with you last week, sorry it was a bit rushed…’ and ending it with ‘off to Sydney tomorrow (yay!) returning on Wednesday 19 Dec – please contact Karen or Clare in my absence’ (ibid.). This lack of formality that creeps into the process of frequency extensions for Kiwi FM indicates the closeness of the relationships between key protagonists in the Kiwi FM story and also shows that by late 2007, Steve Maharey seems resigned to avoiding the pitfalls presented by enforcing the Kiwi FM agreements for two reasons: The forthcoming 2008 national elections which would force the incumbent, and increasingly tired, Labour administration to tread carefully around potentially controversial policy matters in what was developing into a close race with a revitalized and refocused opposition National Party and his impending change of careers from politician to university Vice-Chancellor which had been announced on 19 October 2007.

Tyndall had obviously had other correspondence about this issue and forwarded the email to Murray Costello at MCH the next morning and asking ‘further to the letter I forwarded yesterday … can we discuss?’ (ibid. p. 1). That same day, Murray Costello wrote to John Isles informing him of the extension to Kiwi FM’s licences until 31 December 2008 (Costello, 2007, p. 1). As was typical by this point, no public or stakeholder input was required for this decision to roll over the licences for Kiwi FM, and notably past the date for the general election that would determine the government for the next three years and would also determine the future of Kiwi FM.

A new government and stability achieved

The election cycle also played into the hands of Kiwi FM’s supporters at another level. The Labour government had developed a strong brand around the ‘Kiwi’ name and concept – as both a way of celebrating a ‘national’ culture and also as a third-way attempt to brand what it saw as major economic achievements with social spin-offs that had been priorities over the previous three terms in government. These achievements were to become strong themes in the Labour election strategy and were forefronted in Labour’s publicity leading up to polling day. ‘Kiwisaver’ (a compulsory superannuation savings scheme), ‘KiwiBank’ (a government-owned trading bank) and ‘Kiwirail’ (a government-owned railway system) seem to have also helped to ensure the survival of Kiwi FM in late 2007. Being the government that shut down ‘Kiwi’ FM would conceivably reflect negatively on these achievements and harm Labour’s election campaign and the lack of discussion around the network evident in the lack of
pertinent documents and other data on the subject after December 2007 and leading up the election reinforces this.

After the election of 8 November 2008, the National Party was able to form a centre-right coalition in New Zealand’s Mixed Member Proportional electoral system, coming to power during the height of the Global Financial Crisis of 2008-11 on a platform of austerity, tax cuts and notably for broadcasting, no change to any current arrangements with broadcasters, apart from finishing off the roll-out of digital television by the end of 2011. As of late 2014, towards the end of a second three-year term for the coalition, Kiwi FM has had its free Youth Radio Reservation licences rolled over automatically with no fanfare or opposition every year and the network remains on-air, broadcasting from the premises of MediaWorks and earning revenue purely through advertising and NZOA grants. No sponsorship or other structures have emerged, and Kiwi FM is no longer required to meet a 50 per cent maxima for advertising. Moreover, in 2012, the network dropped its 100 per cent New Zealand music policy in order to play a mix of New Zealand and international music after reaching a deal with MCH, which initially surprised the sitting Minister for Broadcasting, Craig Foss, when it was announced (Hunt, 2012). As of 2014, Kiwi FM continues to feature a playlist of an approximately 60/40 mix of New Zealand and international music.
Chapter Nine

Findings

Summary

Kiwi FM was created out of competing ideologies in New Zealand’s broadcasting environment as the Labour government of the time attempted to introduce third-way market reforms into the creative industries in support of a broader social, cultural, economic and political project that would engage the commercial sector in producing mutually beneficial outcomes for government and business – and by extension – society as a whole. Kiwi FM can be seen therefore as both a reconfiguration of the Youth Radio Network idea and also as a critical element of CanWest’s commercial radio strategy at the time.

There are influential players that engage throughout the processes examined here. For example Karen Hay and John Isles for Kiwi FM, and Steve Maharey, Murray Costello and Rick Julian for the government and its attendant bureaucracy. Importantly, these actors engage with each other outside immediate public scrutiny as they negotiate their positions in a charged political environment of third-way consensus seeking while trying to manage competing priorities. A unique compromise emerges out of these personal and background negotiations – Kiwi FM – a radio network that seems an altruistic endeavour by a commercial broadcasting heavyweight designed to promote and enhance government cultural and economic aspirations with very little real risk for either partner.

However, as time goes by, the government comes to realize that it has been left in the almost untenable position of enforcing its own rules by shutting down a New Zealand music radio network and therefore ending a key supporter of its own policies around New Zealand music. This would also mean denying New Zealand musicians an outlet on the airwaves that enhanced Labour’s standing among younger voters and voices and those most enamoured by the notion of a ‘national’ New Zealand culture that had lifted the party’s prospects so much in previous elections.

Throughout the documents and discussions examined here there are common threads that emerge from seemingly disparate sources that tell a deeper story than what appears on the surface to be a simple transaction between a government and a business in support of a national musical culture. I would argue that without the Youth Radio Network, and the subsequent construction of it as a threat to commercial radio in New Zealand by commercial radio operators, there would have been no Kiwi FM. This is
because despite frequent public denials that it was a replacement for the YRN, Kiwi FM’s real utility for CanWest was in its ability to stave off the perceived threat of non-commercial and tax-payer funded radio for young people in New Zealand, as well as its ability to help CanWest align itself with the Labour government’s goals for the music industries, with the attendant political and funding advantages that close relationship created for the business.

With this critical understanding, it is now possible to reassess the Kiwi FM story in light of the documents and discussions presented here, but also to reflect on all of this activity with the help of essential insights from the former CEO of CanWest’s New Zealand operations – Brent Impey – who was a critical actor in the situation that unfolded during the period studied in my work. While Impey’s name is rarely seen in the documents examined here, it is clear from references to him in some of the more important passages, and from his own positions that are further enunciated and analysed in this final chapter, that he was critical in creating and managing the conditions for a Kiwi FM that would complement and enhance the wider CanWest business strategy, while holding off (and possibly ending) the further development of a major threat to the New Zealand commercial radio industry – the Youth Radio Network.

**Intermediate coding of the Kiwi FM data**

This section presents the abstracted data thematically in ways that show connections that have emerged in the data during this study. From the quite disparate early organization of the original data, through the process of saturating the categories with new data and by constant theoretical sampling backed by memoing, some new thematic strands have emerged in the Kiwi FM story that are grounded in the data and more obvious and explanatory in their abstraction and reorganization into clearer sets of connected elements. During the process of writing up the data, the grounded theory began to emerge, and new connections between events and outcomes have become obvious through this emergence, comparison and analysis. Significantly for this study, the grounded theory generated from this process would not have existed without using this methodology.

**Revisiting Brent Impey: Towards a grounded theory of the impacts of media deregulation**

At this point it is appropriate to revisit the reflections of Brent Impey for clues as to how CanWest and its management acted during the developments traversed in this study. It is particularly informative to consider Impey’s conception of these processes. As CEO of CanWest, Impey had a stake in keeping Kiwi FM on-air past the original one-year frequency allocation, as it provided significant market advantages to CanWest:
I'm a pragmatist so to me, all that academic debate about commercial, non-commercial and public didn’t mean anything to me. To me it was all about getting the best possible result … I’ve read a whole bunch of stuff on Kiwi and none of its right because they miss the commercial aspect of it, why we did it in the first place. (Impey, Personal Communication, 2012)

Kiwi FM also survived beyond the original case made for government support for other reasons, such as expediency and access for NZOA that helps them achieve particular goals too:

Kiwi still goes to this day. Why is that, why does it still do that? Well the rationale has got to be there, is that we provide these commercial services, it shouldn’t cost us anything, it’s a talent breeding ground … It does provide an outlet for the music and it does mean that, you know, where there become issues, you know, Brendan Smyth can possibly ring Schuzty\textsuperscript{53} if he’s in trouble and needs something done, it’ll be done. That’s the way life is. There’s nothing negative about that. (Impey, Personal Communication, 2012)

This points to both a clash of cultures and a failure of ‘third-way’ attempts to reconcile the positions of the commercial sector and governments in providing services to fulfil particular government goals and aspirations. While Steve Maharey and others in government and the attendant bureaucracy had conceived of Kiwi FM as largely a service aiding government programmes in the sector, albeit being provided by a private company, Impey saw Kiwi FM as part of a wider and ‘pragmatic’ corporate strategy. These two conceptions, while not mutually exclusive, are not easily reconciled either. Ultimately the success or failure of Kiwi FM was tied to the financial fortunes of CanWest and the willingness of government to compromise on earlier principles and agreements in order to avoid being labelled as the government that ‘switched off’ a New Zealand music radio service. This conundrum trapped the Labour and later National governments to the extent that the same tension over reclaiming the Kiwi FM frequencies is still a factor in decision making about its tenure on the frequencies it is using. This has arguably been instrumental in keeping Kiwi FM on-air and also structured in a way that suits its parent company, despite its earlier not-for-profit and structural independence obligations.

Another critical factor is the business environment of New Zealand, a small, largely deregulated economy, with Impey arguing that ‘the 4.5 million filter is the absolute key to all of this’ as the market size has dictated the type of structures, such as duopolies in almost all major commercial fields, that will thrive (ibid.) There is also a relatively small cohort of upper management business people interacting with a similarly small cohort of bureaucrats and government Ministers. In this environment, close relationships can develop and business can be ‘done’ at the level of senior management interacting directly with senior bureaucrats and even directly with Ministers. This was certainly the case in this study. Impey confirms, defends and celebrates this when he says ‘This is New Zealand. It’s not just

\textsuperscript{53} Andrew Szusterman, Group Programme Director for RadioWorks in 2012.
broadcasting, it helps everywhere’ and that on issues of concern to the commercial radio industry (such as restrictions on liquor advertising), direct government contact was used as ‘lobbying was really done essentially at government Minister level’ (Impey, Personal Communication, 2012).

Impey goes further to acknowledge critical differences in these relationships when media companies are involved. He points to a heightened understanding of the potentials and pitfalls for politicians when interacting with media management in that ‘because politicians are so media-savvy, you can get a better result if you go and see them instead of, say, if you were running the waste industry’ (ibid.). This differential is also noticeable in politicians actively cultivating close relationships with the media, and in this case, particularly commercial radio in order to both attract votes and to get a sense of popular opinion and concern. Impey confirms this and also points to the strong influence on political and popular culture that New Zealand commercial radio has:

Well I think it’s significant that every year just before Christmas and during election campaigns the leaders of the two main political parties make sure they spend as much possible time as they can getting photo shots with breakfast personalities and appearing on doing their stints on the commercial radio stations. Its political appeal in terms of music, so music stations have got to be first, is in terms of popular culture. The young vote, the vote that’s likely to swing and both Helen Clark and John Key have latched onto this as important ways through. There’s also an influence on the thinking which comes about through almost the freedom of commercial radio in New Zealand and it fits within the New Zealand psyche in that respect. Talk radio has political influence in that the politicians listen to it, the opinion makers listen to it … the hosts on the two main talk channels are very New Zealand-centric in the way that they deal with the issues, as they should be. (Impey, Personal Communication, 2012)

Taken as a whole, what Impey is revealing is that in New Zealand, businesses seek to enhance their positions and profits by both looking to create solutions for government policy goals that will also improve their competitive advantages as well as seeking to influence decision making at the highest levels through close contact with key Ministers. Impey also makes a claim for the power of the commercial media, and especially commercial radio, to influence politicians directly. This in turn further enhances the power of these businesses in their relationships with governments as politicians seek to maintain and enhance good relationships with key media outlets. When these factors are considered, the Kiwi FM story becomes less about New Zealand music and cultures and more about CanWest making rational and appropriate business decisions that enhanced its competitive market position by attempting to fulfil a government aspiration (a vibrant and economically successful New Zealand music scene), while using the minimum of its own resources and attracting the maximum of the government’s resources. How this was achieved and sustained has been the focus of my work.
This is not to say that Kiwi FM is not useful for New Zealand music. It is not the intention of this study to assess the impact of Kiwi FM on that music, but rather to explore the uniqueness of Kiwi FM from new perspectives. Having said that, anecdotal feedback from musicians show mixed feelings about the network. One established New Zealand musician\(^54\) sums up a typical positive appraisal of it in saying ‘I think there's a market for a totally Kiwi frequency but it's about dollars and cents at the end of the day’. Another musician sums up misgivings about the network’s utility, claiming that ‘patriotism and music is not a good mix’ (Hunt, 2012).\(^55\)

**A core category: Cultivating and using critical relationships**

In light of the data presented, abstracted and analysed here, I have identified a ‘core category’ that encapsulates the useful theoretical connections and makes sense of the data gathered in a coherent manner as per the grounded theory methodology. This category is implicit in all of the data, but becomes clearer and then, a compelling overarching construct through the process of fracturing and reorganizing the key thematic elements of the relatively large amount that has been written, recorded and discussed about Kiwi FM. This category concerns the power of relationships in commercial radio achieving its goals and I have therefore named it ‘Cultivating and using critical relationships’. These relationships are both personal and political, as they rely on shared understandings of the relative power of the players in the negotiation of outcomes that drove the Kiwi FM situation, and by extension through the insights provided by Brent Impey, the wider commercial radio industry in New Zealand. These relationships are critical to commercial radio. Access to key decision makers and policy influencers allows commercial radio businesses enhanced opportunities to maximize profits and obtain market advantages.

In the case studied here, these critical relationships are the management of Kiwi FM and CanWest interacting with New Zealand On Air, the Ministry for Culture and Heritage, the Ministry for Economic Development and in particular, the Minister for Broadcasting at the time, Steve Maharey. As demonstrated in this study, the relationships forged between commercial radio workers, senior commercial radio management, bureaucrats and government Ministers is predicated on minimizing negative outcomes for each other, while maximizing benefits and also attempting to keep control over what are constructed as mutually beneficial arrangements in order to obtain quite different outcomes.

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\(^54\) Barnaby Weir of *The Black Seeds*, a popular touring outfit with a flexible roster of musicians, including several high profile artists such as Bret McKenzie from the internationally renowned comedy duo *Flight of the Conchords*. Quoted in Hunt, T. (20 February 2012), Kiwi FM to play international music, *Staff*, retrieved 19 August 2014 from [http://www.stuff.co.nz/entertainment/music/6445342/Kiwi-FM-to-play-international-music](http://www.stuff.co.nz/entertainment/music/6445342/Kiwi-FM-to-play-international-music)

\(^55\) Wellington musician Riki Gooch, formerly of *Trinity Roots*, a Dub/Reggae band that received considerable airplay on Kiwi FM in shows such as *High Noon Tea*, two hours dedicated to this genre every week. Quoted in Hunt, T. (20 February 2012), Kiwi FM to play international music, *Staff*, retrieved 19 August 2014 from [http://www.stuff.co.nz/entertainment/music/6445342/Kiwi-FM-to-play-international-music](http://www.stuff.co.nz/entertainment/music/6445342/Kiwi-FM-to-play-international-music)
and advantages. For the government and the Ministry for Culture and Heritage, there was significant advantages, at least initially, in CanWest offering to help fulfil particular ambitions around New Zealand music for cultural and economic reasons, but also as a way of keeping Labour engaged with a ‘cool’ sector of the economy, with the expectation that it could help keep younger voters on side with the party at election time. Despite what seems to be a mutually beneficial relationship, what remains to be decided is how ‘balanced’ these constructs actually were.

A grounded theory of what the Kiwi FM story means: Commercial media operating in deregulated markets are at an advantage when dealing with governments

The final integration of all the elements of this work is a theory that has explanatory power when considering the lessons learned from the unique Kiwi FM episode. Returning to Punch (2005) p. 215) a successful grounded theory investigation should produce theory that is ‘condensed, abstract and selective’ (ibid., p. 215), a theory that explains the process or scheme that was examined and can be used to explain similar phenomena. This study has found that:

Large commercial media companies operating without content or ownership regulations have significant power in their relationships and negotiations with governments.

The Kiwi FM story shows that the large and powerful media companies that have evolved out of a deeply deregulated media market have inherent power in their large audiences, their ability to potentially influence public debate and their potential to drive favourable policy outcomes through the need for governments to engage with these entities in a way that keeps them positively engaged with the broader political programme of the incumbent administration.

There are uneven power dynamics in these relationships in that by seeking to engage the commercial media (in this case – commercial radio) in order to advance policy goals, governments also run the risk of displeasing business interests that claim serious influence over the electorate and have the power to exercise that interest (or, threaten to) in support of their own positions. Further, this a situation well understood by what Impey calls the ‘media savvy’ governments of today (ibid.). This becomes evident in this study, even if in some of the discussions and correspondence between Kiwi FM’s people and government agencies showed a degree of subservience to government wishes, their actual actions show they were able to maintain the upper hand in the relationship by corralling support both in and out of government, missing or pushing out deadlines and sometimes by what amounted to pure obfuscation.
Conversely, when commercial media look to government policy goals for ways to enhance their own market positions, competitiveness and profits, they can cherry-pick policies that suit their particular strengths. In this case, the ability to provide a music radio service and its attendant infrastructure that seemed to fulfil the Labour government’s cultural and economic aspirations around enhancing the culture industries and creating new domestic and international markets for local music. The strong interpersonal relationships shared and developed during the period studied here enhanced CanWest’s ability to achieve its goals, while nominally acting in concert with those of the Minister and other government agencies. There was no real downside and very real upsides for CanWest in the Kiwi FM deal in that they could claim to operate in unison with government goals as a good corporate citizen, while producing another commercial channel to increase and diversify its advertiser base at minimum cost.

Ultimately, this shows that deregulation should be considered very carefully and if attempted, should be constructed in a way that leaves governments ways to moderate the behaviour of private sector interests, through legislation that prevents large power blocs forming in particular industries and also allows governments to produce and execute policy that is not negatively influenced by business elites.

While there seems good intentions ‘on the ground’ in the day-to-day operation of Kiwi FM, consideration of the wider commercial and political environment that Kiwi FM’s parent company operated in is essential to understand how it was created and why it survived even after failing to fulfil its own agreements with government. Once it obtained government frequencies, it seems virtually impossible to either hold the organization to the spirit and detail of its original agreements with government or to rescind the agreements and reclaim the spectrum. This demonstrates the uneven power relationships that advantage the commercial media over governments who choose to engage them in achieving policy goals.

The theory generated during this study could be used to evaluate and assess potential problems and pitfalls when considering deep and broad deregulation of other national media systems.

The significance of this study

Firstly, the findings of this study are significant for New Zealand in that there is a long-held consensus around government funding of media outputs that correct the ‘market-failure’ of deregulation. Agencies such as New Zealand on Air and Te Mangai Paho (the Māori media funding agency) exist to select, fund and promote cultural outputs such as television shows, radio stations and New Zealand music that would not otherwise receive funding from the market and in the case of music, be very unlikely to receive airplay in such a highly deregulated and competitive environment. In order
to fill the gaps left by market failure, these agencies and others driven by government policy goals around the culture industries need to engage and either directly or indirectly fund the very companies who create the gaps by designing narrow, highly focused and commercial formats. The direct funding of content becomes the only way to produce it, and creating strong relationships with the senior management and programming staff of these organizations becomes essential to fulfilling the roles of these funding bodies.

Significantly, broadcasters are tasked with deciding if they will air programming that might be funded by these agencies and therefore have the ultimate say over what type of programming will be funded. In this environment, NZOA and TMP are beholden to the networks to provide broadcast time for their legislated requirements and therefore hold the balance of power in negotiations about what content will make it to air. In the highly commercial and competitive environment of the deregulated New Zealand media, only the most commercially viable programming will (normally) be accepted by the networks. This is both an example of the failure of neo-Liberal deregulation of the media to provide true diversity and an admission that the situation requires operating within the constraints of a highly competitive commercial media market. Again, the commercial media hold the balance of power in these relationships, evidenced in things like the ‘voluntary quota’ for radio. The strong support from government agencies that Kiwi FM received in the totality of data used in this study is therefore illuminating too, as it demonstrates again the uneven power relations operating on personal and organizational levels that privilege the commercial media in these situations.

Secondly, this should be of concern to governments and the citizens of countries considering deregulation of their national media industries. The theory generated here, and the wider example of the New Zealand media environment that is dominated by two radio companies, two free-to-air television networks, two print media companies and a pay television monopoly sound a caution. The power differentials between the government and the commercial media presented in this study raise some serious questions about the ability of governments to operate media services or to assign broadcasting spectrum for the public good when creating possible competition for deregulated commercial media or threatening market advantages enjoyed by companies who are engaged in fulfilling government policy goals. If New Zealand’s commercial media have developed this level of influence over the entire media market by way of their potential power to effect the electorate in New Zealand, there is a good argument to carefully and cautiously examine any proposal for wide-ranging deregulation of the media, and in particular ownership rules, which see such large companies with such significant potential to influence the political environment, emerge.
In the background of these arguments is the long-abandoned Youth Radio Network – its frequencies occupied by Kiwi FM, its narrative discarded, its supporters silent. The Youth Radio Network would have been direct competition for commercial radio’s youth networks and Kiwi FM has been instrumental in its disappearance from public discourse; it may yet be resigned to a historical quirk in an otherwise smooth development and expansion of commercial radio’s dominance of services for New Zealand’s younger audiences.

Further, these companies are also benefitting from attempts to correct the market failure they have created by way of government funding of content that also enhances the profits and strategic positions of these companies. Careful consideration needs to be given to regulatory change. Once regulation is removed, it is extremely hard to reintroduce, as the structure and motivations of the media market will have irrevocably changed. New Zealand’s dominant, deregulated commercial radio duopoly shows how this plays out. In this environment, Kiwi FM can be seen as both an interesting cultural and commercial innovation that provides advantages at reduced costs for its commercial parent and hopefully New Zealand music, and also as a demonstration of the political, cultural and social power of commercial media in a deeply deregulated media market.

**Directions for further research**

This study makes no claim for the benefit or otherwise of Kiwi FM, but is concerned with the how and why of its existence (for a discussion of how Kiwi FM ‘sounded’, see Appendix 1). There remains work to be done around how successful an operation like Kiwi FM can be in enhancing the audiences for and marketability of cultural products as well as whether this is better done by the commercial sector or by governments creating new channels and platforms for cultural production that are not reliant on the vagaries of the market.

Some assumptions can be made about the value of Kiwi FM by acknowledging the very small size of the audience for the network and the lack of any physical evidence of it enhancing the profitability or longevity of any particular artists, record label or other music industry endeavours. However, less tangible outcomes such as the motivation created in hearing one’s song on the radio, being interviewed and promoted on the radio and having other such support might be made more concrete in research designed to interrogate these elements of the utility of organizations like Kiwi FM. The claim made by John Ilses of Kiwi FM that contemporary music was better promoted in a commercial environment could also be put to the test here by comparing the performance of a network such as Kiwi FM with the outcomes for musicians offered by non-commercial operations such as Australia’s tax payer-funded network for young people, Triple J. The relative similarities in cultures and historical development of
New Zealand and Australia would also provide some fertile ground for comparison of musical and radio cultures and outcomes.

Another approach would be to examine how legislation, such as that which governs the ‘community radio’ and other ‘non-commercial’ licenses awarded in the United Kingdom, Australia and elsewhere might be engaged in enhancing third-way approaches to promoting national cultural industries such as music and radio. It is clear from my work that the lack of a legal framework, such as the one proposed for ‘local community’ radio licenses during the period studied here, meant that Kiwi FM was able to miss reporting deadlines, fudge its own obligations and create space to continue to broadcast beyond agreed parameters largely due to a lack of a legal enforcement regime that was separate from (and therefore would conceivably not tarnish) the government. I could not find an analogue for the Kiwi FM situation anywhere in comparable developed countries as all others have either notably stronger frameworks of regulation around broadcasting and frequency allocation (the United Kingdom, Sweden, Norway, and Denmark for example), or have deregulated more carefully and deliberately so as to avoid having significant grey areas around frequency allocation and usage in the legislation (Canada and Australia for example). Perhaps unsurprisingly, there are no close comparisons to be made between the Kiwi FM situation and the United States broadcasting system, untouched as it has always been by third-way approaches to culture and business. There is an opportunity to contrast and compare the deep deregulation of New Zealand broadcasting with comparable countries to examine differences in broadcasting development and outcomes.

There is also more to be done in comparing regulated and deregulated media markets and how they operate in support of national cultures and the culture industries. My work is sited in a significantly deregulated market and examines the relationships between government, broadcasters and the culture industries in a way that ultimately interrogates the development of different approaches to problems and goals from different perspectives, and also the development and utility of Public-Private Partnerships in these sectors in a deregulated and free market environment. There is further opportunities for research in comparing those relationships in more regulated markets, with more formal layers of bureaucracy to be negotiated in order to enhance government policy goals, engage business in national cultural aspirations or to create favourable conditions for particular commercial activities in mutually beneficial ways.

Finally, there is also more work to be done in the use of grounded theory methodologies in studying the media. There is very little material on the media that uses the methodologies used here. I found grounded theory forced me to take new perspectives, abandon long-held assumptions and biases and that it also made me acknowledge my background and history in the field that I was researching.
Grounded theory allowed me to ‘step outside’ that experience when it was required in order to develop new patterns and engage new strategies for ‘seeing through’ the data I had collected. This was important as I started this project loaded with years of commercial radio experiences, previous research work, around 300 pages of documents and two long interviews with key people who had not previously spoken so frankly about their connections to my main point of focus – Kiwi FM. Grounded theory gave me a place to start organizing these experiences and the data within new critical frames in order to prepare to break apart and reassemble all of this material in a meaningful way.

I found that grounded theory methodologies not only gave me new perspectives, but new excitement and passion for studying the media in different ways and through different methodological frames than I had relied on previously. I hope other media researchers might benefit from these ways of creating meaning and I think grounded theory methodologies would benefit from their use and development by others in the field. While grounded theory did originally emerge from medical and social practice backgrounds, it has potential to work with any data set, in any physical form and can be easily integrated with case studies, discourse analysis approaches and many other established methodological paradigms. I personally found that grounded theory produced work that I could not have foreseen but became powerful explanatory theory by utilizing the rigours of academic practice alongside the development of intuition about the research topic, through the construction of insights ‘grounded’ in the data. I believe grounded theory has more to offer other researchers working in similar areas.
Postscript

A few weeks after this dissertation was completed and before it was to be examined Kiwi FM ceased to exist. Almost 10 years after it started, a brief press release on 20 March 2015 from MediaWorks announced Kiwi FM’s demise two weeks hence. A spokesperson for MediaWorks explained that the reason Kiwi FM would end was because ‘there are now more options than ever to discover and listen to home grown music, and it is time for us to focus on other priorities’ (Wratt, 20 March 2015). Kiwi FM ended at midnight on 31 March 2015. Its frequencies have been returned to the government and as of the time of writing there is no information available on their future use.
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**Blogs**


**Interviews**


**Television Shows**


**Newspaper Articles**


**Television News Stories**


**Websites**


New Zealand Parliament Hansard Records
Note: New Zealand Parliamentary Hansard Records are catalogued by an identifying number and the date of the event at the start, followed by the name of the questioner and the name and titles of the intended respondent, then the question in full, or in part if it is exceedingly long. If the respondent is not in the House that day, another member acting under instruction from the respondent will usually reply ‘on behalf’ of that Member.
5151 (11 May 2006). Pansy Wong to the Minister of Broadcasting: Has Kiwi FM taken part in any consultation process carried out with community access ...

5152 (11 May 2006). Pansy Wong to the Minister of Broadcasting: ... to their respective communities; and how does the Minister view any such requests in light of his decision to allocate new frequencies to Kiwi FM? ...

5153 (11 May 2006). Pansy Wong to the Minister of Broadcasting: ... Apart from the three temporary licences allocated to Kiwi FM, two other not-for-profit frequencies have been released to date and these are being...

5155 (11 May 2006). Pansy Wong to the Minister of Broadcasting: Where will the ongoing funding for Kiwi FM be sourced from? ...

5226 (12 May 2006). Hon Georgina Te Heuheu to the Minister of Broadcasting: What is the cost of granting Kiwi FM access to new FM frequencies? ...

5233 (12 May 2006). Hon Georgina Te Heuheu to the Minister of Broadcasting: What are the variety of scenarios that CanWest MediaWorks have put forward to keep Kiwi FM alive? ...

7274 (20 June 2006). Hon Georgina Te Heuheu to the Minister of Broadcasting: ... the answer to question for written answer 05233 (2006) on what date did CanWest request that the government consider support for Kiwi FM as a ...

7275 (20 June 2006). Hon Georgina Te Heuheu to the Minister of Broadcasting: ... for written answer 05233 (2006) on what date did the government convey that they were unwilling to consider support to CanWest for Kiwi FM as a ...


7276 (20 June 2006). Hon Georgina Te Heuheu to the Minister of Broadcasting: ... to question for written answer 05233 (2006) on what date did CanWest request that the government consider support for Kiwi FM having short term ...


Documents released under the Official Information Act

Note: These documents are facsimiles of various types of correspondence and memoranda; emails, Cabinet briefings, proposals, inter-departmental memorandums, licences, minutes from meetings, letters and intra-government communications. Where possible, they are identified by their title, the correspondents, the date on the document and the official file number given to the document, or a mixture of these elements where the full notation does not exist. The intention is to identify each unique document as best as possible, but not all will have the full range of identifiers described above due to how they were handled at the time of creation and/or how they were copied to be released as official information. Some documents have had names, figures and in some cases dates redacted under Part 1, sections 6-11 of the Official Information Act (1982) which allows the removal of information from released documents for reasons of privacy of the individual, commercial sensitivity, national security and the protection of the functioning of government. These rules are applied somewhat differently across different governments, departments and individual Ministers (who are ultimately responsible for releasing information), which is somewhat frustrating for the researcher, but still provides for a rich and deep data set as the documents as a whole tend to reveal key players, moments, policy conundrums and arguments, despite differences in information cultures across time and actors. The full legislation is available at:

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Millar, B. (9 March 2007). Temporary Broadcasting services: Licencing Options, POL/1/24/1, pp. 1-

**Ministry for Culture and Heritage documents**


Julian, R. (20 December 2006). *New Licence Allocations*, email to Martin Miller, MED.


Tyndall, J. (14 December 2007), Email to Murray Costello of MCH forwarding 13 December 2007 email from Justine Wilkinson titled *Kiwi FM – 12 Month Extension*.

**Canwest/MediaWorks documents**

A New Model for Kiwi FM 100% New Zealand Music. (December 2005), pp. 1-9.


Short-term Frequency application for KIWI 100% New Zealand Music (March 2006), pp. 1-8.


Wilkinson, J. (13 December 2007). Email to Jo Tyndall of MCH titled *Kiwi FM – 12 Month Extension*.

**New Zealand Music Industry Commission Documents**

New Zealand on Air Documents


Creative New Zealand Documents


Miscellaneous communications

Appendix: What did Kiwi FM sound like?

It is naturally difficult to describe in detail what Kiwi FM was like to listen to in print. This appendix is designed to give a general impression of the sound of the station, which can be divided into three distinct periods and formats.

The first year of Kiwi FM was an attempt to produce a relatively ‘mainstream’ radio station, albeit limited to playing only New Zealand music. The station had a traditional format structure, with a ‘breakfast’ show, a ‘morning’ show, a ‘drive time’ show and a ‘night’ show. Interestingly, the station featured New Zealand musicians as hosts, with well-known names such as Jason Kerrison from the popular contemporary band *Opshop* and Andrew Fagan from the seminal 80s band *The Mockers* doing on-air duties. The music mix of the station centred on relatively mainstream music from major New Zealand artists from the past twenty or so years and newer music that was generally orientated at more popular tastes. Music from new and unsigned artists and music that was more ‘alternative’ in its sound was also given airtime, although not to the extent of ‘safer’ and more well-known popular songs and artists. This first attempt failed to make a significant impact on New Zealand audiences, with the station unable to attract more than 30,000 listeners from a potential audience of around two million people in the three biggest New Zealand cities. The station’s share of the market was significantly below the margin for error (circa 1.7 per cent) in official audience surveys during this period.

The second phase of the Kiwi FM sound began when the station relaunched in 2006, as discussed in detail in this thesis. Part of the pitch to government for support was a revamped music mix that canvassed a wider variety of New Zealand’s musical outputs. This phase also featured new shows and presenters that were less recognisable but perhaps bought more ‘cultural cache’ to the new format as ‘alternative’, ‘smart’ and ‘edgy’ hosts. These ranged from a dramatic actress (Danielle Cormack) to ex-student radio personalities with notable journalistic skills and developing mainstream appeal such as Glenn ‘Wammo’ Williams and Wallace Chapman. While musicians did remain on the talent roster, there was a clear attempt at this stage to move the station in the direction of the more cerebral and challenging content of New Zealand’s university-based student radio stations. The music format of this phase matched this more diverse offering, with new bands, genre-focused shows and a new focus on live

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56 All audience figures are from biannual New Zealand commercial radio audience surveys conducted by Research International on behalf of the commercial radio industry. More details of the methodology and surveys are available at [http://radios.co.nz/radio_research/aboutradios.htm](http://radios.co.nz/radio_research/aboutradios.htm)
music and connecting the station more to the live music scene. New segments showcasing a wide variety of New Zealand musical styles that were funded by taxpayer grants through New Zealand on Air also featured during this phase (see main text). The music mix became considerably more eclectic and featured significant variety in genre and niche appeal. Again, this period saw very little impact on audiences, with the station’s listenership hovering around 20,000 people and still sitting well below the margin for error for the six years this iteration of Kiwi FM was in existence.

The terminal phase of the Kiwi FM sound was launched in February 2012 and caught most listeners, critics and even the Minister of Broadcasting (who was tasked with monitoring Kiwi FM’s performance as a 100 per cent New Zealand music station) by surprise. Kiwi FM began playing a new mix of 40 per cent international artists and 60 per cent New Zealand artists. A MediaWorks content executive, Andrew Szusterman commented that ‘it’s all well and good having a 100 per cent New Zealand radio station but if people aren’t listening to it in droves what’s the point?’ (Szusterman, 2012)\(^{57}\) During this last phase Kiwi FM staffing was reduced to a skeleton crew of new and relatively unknown announcers and many of the specialist and genre-specific shows were repeated throughout the schedule to fill in gaps in the on-air roster. The music mix remained notably alternative, with music generally not considered ‘mainstream’ and not heard on other, more popular radio stations the norm. After an initial, very small bounce in listeners numbers (around 1000), Kiwi FM’s listenership settled back into the 20,000 range and remained there until the station was finally axed in March 2015.

\(^{57}\) Szusterman went on to argue that the new format would potentially gather more listeners which would therefore mean that the New Zealand content of Kiwi FM would reach more ears. There is a circular argument possible here as there would also be 40 per cent less New Zealand music available to hear by a larger audience, if it eventuated. Szusterman’s comments and some opinions on the change of format from others, including musicians, are available here: http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10786700