

- ARTICLE -

## Pop, Power and Politics: Kiwi FM and the 'Third Way' in New Zealand

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### **Abstract**

In 2005 a major multi-national media company launched a New Zealand radio network that played only New Zealand music—Kiwi FM. Within a year it was clear that the experiment had failed, with the network attracting only negligible audience ratings and unsustainable commercial revenue. It was at this point that the New Zealand government stepped in, granting the network free broadcasting spectrum and significant funding in return for the ongoing promotion of New Zealand music. How this happened provides critical insights into 'third way' approaches to the creative industries, and in particular, local music as a cultural, political and economic commodity. Kiwi FM raises questions about national musical cultures and how artists, governments and businesses interact in these contested spaces. This article explores Kiwi FM as it moved from being a commercial enterprise to a government partner from behind the scenes, using previously unseen documents and interviews with key players in order to interrogate the utility of 'third way' approaches to promoting and supporting the creative industries.

### **Introduction**

The fifth Labour Government came to power in New Zealand in 1999, with a set of popular policies focused on the youth, worker and centrist votes. These espoused economic growth while reigning in the free market; a return to a social consensus on welfare, education, health security and cultural liberalism; and a new focus on the 'creative industries' as valuable cultural and economic resources (Aimer 2010, 476; Williams 2000, 23-29; Volkering 2001, 443-46). This approach echoed Tony Blair's 'third way' challenge to the conservative economic, social and cultural consensus which he contrasted with a growing liberal and outward-looking electorate in the United Kingdom in the late 1990s, encapsulated in the meme '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, thereby reinvigorating a sense of national pride and providing new and tangible economic benefits (Volkering 2001, 438; 447-49). Both the United Kingdom and New

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Zealand had voted in governments that had campaigned on retreating from the harshness of previous neoliberal governments that had deregulated both national economies and reoriented their countries towards the international free market and the perceived benefits of globalisation.

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, 23-29; McAloon, 2010, 38-39). 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.

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, 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, 234-35). Clark was an active Minister for the Arts and Culture and was seen as accessible, open and media-friendly in her various roles (Hayward 2010, 235).

### **An all-New Zealand music radio network that did not work**

It was near the end of the Clark government's second term that a multinational commercial media company operating in New Zealand, CanWest, introduced a radio network broadcasting only New Zealand-made music to New Zealand's three biggest cities on New Zealand's national day, Waitangi day, in 2005. This was Kiwi FM, acclaimed as major move forward for New Zealand music by Clark and the Labour Government, CanWest workers and by many musicians. However, the radio network failed to attract a significant audience or enough revenue to cover its costs and was in danger of being pulled off-air all together. The network was saved when the third-term Clark 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 New Zealand music airplay.

The frequencies loaned by the government to CanWest for Kiwi FM had been reserved for a non-commercial public youth radio network (the 'YRN'), much along the lines of

the Triple J network in Australia. There had been an often-fractious public discussion between commercial radio and supporters of the YRN in previous years and no government had yet committed to launching the service, despite reserving radio frequencies nationwide for its inception (Innes 2006; Mollgaard 2005). Kiwi FM negotiated an initial short-term (one year) licence to 'borrow' these frequencies and was required to work towards becoming an independent not-for-profit organisation while being operated from CanWest studios in return for this government support. This was an attempt to produce a public broadcasting outcome using a commercial partnership with CanWest, in effect a Public/Private Partnership, very much in line with the 'third way' aspirations of the fifth Labour government to support and monetise the creative economy of New Zealand.

### **The Labour government and Kiwi FM: popular music as culture and politics**

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 a 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.

Defining 'culture' is problematic in that, though 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 dictate 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 argued that 'culture' was an 'exceptionally complex term' which deserved careful examination and explication since its use could indicate power relationships alongside lived human truths in a given society and/or nation (Williams 1981, 10-14).

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' (Williams 1981, 12-13). 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 (Williams 1981, 13-14). 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, 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 involved 'the works and practices of intellectual and especially artistic activity' (Williams 1983, 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, 68). In particular, Hall interrogated 'anthropological' notions of popular culture, and found them wanting (Hall 1981, 68). 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; [and] which have been embodied in popular traditions and practices' (Hall, 1981, 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 (Hall 1981, 69). 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' (Hall 1981, 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 during 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 (70-71).

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, 70-71). Their 'critical political economy' approach 'starts with the sets of social relations and the play of power' (73). This involves 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' (73). The dominance of 'corporate conglomerates' over cultural production and dissemination systems (such as record companies and the media) leads to 'a commodification of cultural life' in that culture in the service of profit and power constitutes 'the production of meaning as the exercise of power'. This demands 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 (77-89).

The complexity of 'culture' as a place of contestation is reflected in the approach of this study, as it examines the intersections between the state, notions of 'New Zealand-ness' in the definition and valuation 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 Williams' configuration of the ordinary as a particular way of life that influences how artists, government agencies and the media interpret and react to conceptions of New Zealand culture as both ordinary and particular as well as valuable and unique.

### **National music culture**

Notions of a 'national' music culture are no less complicated, as they must define what constitutes the 'national' 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 global communication networks. As a result, the 'national' is now almost defined more 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 (1988). Adorno argued that examining not only the nationality of a composer or geographical roots of a musical movement, but also the instrumentation, compositional techniques, socio-political milieu and the ideological position of a composer and genre reveal 'how deeply the humanity and universality of music entwine with the national element they are transcending' (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' (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 (163-68).

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 (Adorno 1988, 154-77). Adorno was particularly scathing about the music of Germany, from where he was exiled as a Jew during the Nazi era. 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 forms of 'programmatic nationalism . . . as a defence' (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 accelerated 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 (Adorno 1988, 174-75). 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' (175-77).

Globalization can also be seen as an agent of 'stylistic unity'. Kirster Malm and Robert Wallis 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, 237). Malm and Wallis 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, 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 (1984).

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, 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 (32). Instead, notions of authenticity become critical to constructing a national musical narrative (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' (22-23). Authenticity can be seen as a reaction to the commodification of music—mythologizing the 'folk' or 'ethnic, nature of 'true' national music (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 and essentialist notions of identity from the past (O'Flynn 2007). This

constant renegotiation of authenticity also reflects the reorientation of the nation-state to the global economy insofar as the 'transition from a bounded, cultural and political view of the nation-state' is challenged by 'supra-national configurations' as globalization unfolds (35). National musical authenticity therefore becomes 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 (35)

O'Flynn also adapts the Gramscian concept of 'hegemony' (Gramsci 1971) 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 (O'Flynn 2007, 27-29). In addition, according to O'Flynn, outside influences can be captured and implanted into the hegemonic narrative, with those influences privileged over others not supporting the dominant groups and practices.

O'Flynn notes the 'agency of the nation-state' as part of hegemonic national music practices. Using New Zealand as an example of this, he notes 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' (O'Flynn 2007, 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' (37).

### **Popular music and radio in New Zealand**

Andrew Dubber (2007) has interrogated the nature of New Zealand popular music as both cultural and economic endeavour, arguing that the New Zealand government, through legislation enabling the deregulation of radio ownership and content in combination with legislation that required the funding agency New Zealand on Air (NZOA)<sup>1</sup> to get as much New Zealand music on the radio as possible, had effectively weighted the economic potential of popular music over the national cultural benefits of music made in New Zealand. As Dubber observes, the 'forces of free market economies' had 'a significant impact on the cultural life' (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 (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 (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, and legislation that forces the music industry to prioritise music that will work for that radio, and musicians trying to make a living in this system (30-33).

Roy Shuker (2008) examines the impact of government interventions into funding and promoting New Zealand music. Shuker notes 'impressive growth' and observes that New Zealand's popular music industry had matured to the point that it was 'poised to make a significant international impact' (271). This he attributes to strong government support, the well thought out and incremental interventions of NZOA, and the close and cooperative relationships that had developed between government agencies, the music industry and the broadcasting industries, including commercial radio. 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. The category of 'Indie' and 'garage rock' and that of '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 they were eligible for NZOA support (Shuker, 280-81). 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 (282).<sup>2</sup> Shuker reasserts that popular music made in New Zealand reflects 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, he argues that while the government still used the rhetoric of culture and local identity to justify spending on locally made popular music, its 'pragmatic concern' was the 'economic value of the industry', which displaced notions of the value of national musical culture (ibid.).

Brendan Reilly also 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, 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 in which it operates (120-59). 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 (178-88). Additionally, Reilly claims that the overall effect of deregulation and the conglomeration of ownership that it allows in New Zealand have 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 (17).

Reilly also argues that interrogating the hybrid nature of New Zealand radio— influenced heavily by Anglo-American music as well as by the government through funding and programming and also through radio workers practising in such a highly commercial environment—allows an unpacking of power relations between global forces, broadcasters, governments and audiences (297-301). In this sense, Reilly echoes and expands on Jeremy Tunstall's earlier 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, 580-81). 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 (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, 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 NZOA (2011, 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 (293-96).

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' (2011, 299), and instead describes the recent developments in New Zealand music radio as a 'complex mixture of the local and the global that could not be explained by simplistic notions of hybridity' (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 (293-304). These arguments somewhat support the existence of a radio station like Kiwi FM as a cultural endeavour and also as a bulwark against the constant encroachment of international influences. However, Kiwi FM was able to garner government support by appealing to larger Labour objectives concerning the creative economy of New Zealand.

### **Kiwi FM: National music as culture, economics and politics**

A little over a year after Kiwi FM launched it was clear that it could not attract a large enough audience to be commercially viable. After three separate six-week audience ratings survey periods, the network had failed to generate audiences above the mid-40,000's<sup>3</sup> 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 a major figure in New Zealand music promotion—Karen Hay, a former music television host and lobbyist for increased New Zealand music on New Zealand radio—who along with senior CanWest executives, began to create a strategy to convince the government to grant free spectrum leases to Kiwi FM. This was because CanWest had decided to use its current frequencies for other, more profitable purposes.

As Kiwi FM was failing, 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 problems with 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 to make programming and creating a favourable environment with government through the network's support of government goals for local music, CanWest were willing to try a strategy to engage the government further to keep it on air. CanWest CEO, 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 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 (Impey 2012). Without government support it is very likely the network would have disappeared from the airwaves.

### **Initial approaches to Government: A bold plan**

In December 2005, the first attempt began to engage the Government in order to preserve the network. 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,<sup>4</sup> then attempts to convince The Labour Government's Minister for Broadcasting, Steve Maharey,<sup>5</sup> to use 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 thirteen 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, 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' (CanWest 2005, 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' (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<sup>6</sup> 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, 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 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' (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, 2006b). 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' (Maharey, 2006b).

This attempt to engage 'Brand New Zealand' by CanWest 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, one that also reinforces the distinctness of the country they came were made in. In this sense, CanWest was attempting to construct Kiwi FM as a critical *tranche* in an overarching brand strategy that was implicit in the Labour government's attention to the creative industries as potential export earners and signifiers of New Zealand culture both locally and internationally.

CanWest 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 carefully. CEO of CanWest at the time Brent 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 2013).

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 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 2012).

### **Engaging the government: A new plan**

CanWest refined their 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<sup>7</sup> (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 2006a). 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 three discussions about the development of a proposal to Maharey on 25 and 27 of February (Hay, 2006b, 2006c, 2006d). Bowron plays quite a significant role as the Kiwi FM story develops from this point on.

### **Selling the vision: Getting the bureaucrats inside**

Karen Hay engaged the help of MCH's 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 2006c). 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'

(Hay 2006c). This is a remarkable claim, considering the proposal for Kiwi FM to occupy the YRNs 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 2006c).

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 born this out' (Hay 2006c). 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, and 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)' (Hay 2006c). 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.

Hay insists that 'there is no hidden agenda here' and that 'RadioWorks<sup>8</sup> 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 (Hay 2006c). 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).

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' (Hay 2006c). 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.

### **Connecting with the ‘third way’ agenda**

After refining the earlier official proposals to include ‘background’ and information to ‘encapsulate where we are now’ (Hay 2006d), 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 and 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, 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)’ (CanWest 2005). Here are examples of O’Flynn’s conception of ‘cultural’ and ‘industrial’ governmental interventions in promoting a national music culture being invoked in support of Kiwi FM.

These are appeals to the platforms of the 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' (CanWest 2005, 4). This 'opportunity for exposure' (CanWest 2005) 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, Murray and Maharey 2006, 4), and another highlighting CanWest's promise to diversify the music and develop specialist programming in return for free frequencies (Daniels 2006).

### **Big names for big gains**

A key element in the proposal was three letters of support for Kiwi FM from the music industry and a government-employed music specialist. These are worth investigating carefully, as they seem to have been very influential in the process of allocating free frequencies for Kiwi FM.

The first letter 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, 7). The NZMIC can be seen here as an important 'bridge' between government and the music industry, very much part of the wider 'third way' strategy around music at the time.

However, after Kiwi FM was awarded the free frequencies, the NZMIC 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, 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 (Andersen 2006). The NZMIC declined to take the matter further, but is unequivocal in distancing itself from the allocation of free frequencies to Kiwi FM.

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 amongst secondary school pupils in New Zealand (Chunn 2012).



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 Chch<sup>9</sup> to their radios’ (Chunn 2012). 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 (Chunn 2012).

Chunn very much brings a ‘cool’ factor to the proposal at a time when the Labour government was attempting to align itself with a section of the cultural economy and attract and maintain younger voters, again echoing ‘Cool Britannia’ and Tony Blair’s attempts to integrate his government’s image with icons of British popular culture such as Noel Gallagher of the band Oasis.<sup>10</sup>

Another letter is from Brendan Smyth, Music Manager for NZOA.<sup>11</sup> Noting that NZOA were following the proposal as ‘Karen Hay and Brent Impey have kept us informed throughout’. Smyth gives strong support to the proposal as he argues that ‘Kiwi’s time had come’. He argues that after ten years of the success of the voluntary quota and NZOA intervention in the music and broadcasting markets and 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 2007). 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 (Smyth 2007). 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’ (Smyth 2007). 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.<sup>12</sup> 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 just 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 of written it’, but did not elaborate further on why he now felt it may have been a mistake (Smyth 2012).

During further discussion, it did seem that on reflection Smyth was wary of been seen as 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.

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 (Smyth 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' (Smyth 2012). Smyth related their long friendship and reiterated that he felt Hay was critical to keeping Kiwi FM on air (Smyth 2012). 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 2007).

### **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 for Culture and Heritage that Kiwi FM was a valuable public service, and that it also aligned with Labour's policy agenda around New Zealand music, and was being 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 in a press release that the Kiwi FM deal was appropriate because the government was committed to New Zealand music and Kiwi FM was a part of that commitment with little risk or cost to the government (Maharey 2006a). Kiwi FM was required to work towards becoming a not-for-profit and independent network over the period of the free licences and to report on its progress quarterly.

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 amongst government agencies at this time as it was seen of 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 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 intertwined 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. Despite this, the deal went ahead.

### **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, with one well documented example coming from a New Zealand music icon—Neill Finn of the internationally successful bands Split Enz and Crowded House. Senior Ministry for Culture and Heritage Policy Advisor Rick Julian was 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 Finn, a vocal critic and determined supporter of a youth radio network of eight years.

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 and 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' (Finn 2006).

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 cache

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 2013). 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), 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 signaling 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 (see below).

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 on 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’ (Bowron 2006). 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 said [sic] there will be a number of shows funded by us’ (Bowron 2006). 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' (Julian 2006). This is despite a letter sent to MCH from Cath Andersen of the NZMIC, stating that they would not have supported Kiwi FM on public frequencies had they known that Hay's request for support (which they gave in a letter earlier) was part of the proposal to do so. 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 damaging to the government criticism. 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' (Julian 2006). Julian finishes with a firm commitment that 'Kiwi FM will not be enjoying the frequencies that should have belonged to young people's public radio' (Julian 2006).

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 2006c).

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 2006c).

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 yearlong 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 (Maharey 2006c). 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. However, it does seem from the documents available that the Finn episode did rattle the government somewhat, and Finn did go on to publicise his views in newspaper interviews and television appearances (Sainsbury 2006; Innis 2006).

Kiwi FM was to remain on the YRN frequencies until March 2015. Despite a concerted effort by Maharey and MCH over the yearlong trial period, Kiwi FM did not become a not-for-profit nor did it significantly separate its operations and management from CanWest. When the Labour administration was replaced by a National-led government in 2008, Kiwi FM was no longer required to meet any of its earlier obligations around structure, performance or independence and was able to operate as a commercial radio network without government involvement beyond yearly extensions of its licences.

### **Conclusion: Kiwi FM as a ‘third way’ experiment**

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 here. 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 MediaWorks. As Impey put it in 2012:

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 it’s right because they miss the commercial aspect of it, why we did it in the first place (Impey 2013).

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, and its eventual 10-year tenure on the YRN frequencies was tied to the financial fortunes of CanWest and the willingness of two different governments to compromise on earlier principals and agreements in order to avoid being labeled 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 was a factor in decision making about its tenure on the frequencies it was using until it voluntarily abandoned the Kiwi FM format in 2015 and returned the frequencies to the Crown. This was arguably instrumental in keeping Kiwi FM on-air and also structured in a way that suited its parent company, despite its earlier not-for-profit and structural independence obligations.

Kiwi FM was a win-win situation for CanWest. If it proved to be successful at generating reasonable income by opening up new audiences for a New Zealand music service, it had worked. When it initially failed, moving the Edge into Auckland was a significant boost to CanWest’s revenue and having Kiwi FM on free frequencies was a strategic advantage over competitors as well as another potential revenue stream. By supporting the government’s programme for New Zealand music it was politically beneficial to CanWest in other ways too, perhaps facilitating better outcomes on other points of contention such as renewing spectrum leases on expiry in 2011.<sup>13</sup> If it proved to be unsuccessful and was replaced by a more successful format, then dedicated New Zealand 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. Kiwi FM also offered opportunities to secure funding from NZOA to make New Zealand programming. CanWest management made a prudent and appropriate business decision to develop and protect their market position by creating Kiwi FM and exploiting the potential opportunities it offered (Impey 2013). But ultimately, and in a deeper sense, CanWest was able to define Kiwi FM as part of the Clark Labour government's 'third way' vision for the creative industries. By invoking and capitalizing on positivity around New Zealand music as a national, cultural and economic force in both public and governmental discourses, CanWest engaged with Labour government policy in order to pursue its own commercial strategies and enhance its revenue streams.

## Notes

1. 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. It also funds popular music recordings and promotion, radio shows that feature New Zealand music and music videos amongst other cultural outputs. New Zealand on Air is also charged with funding the commercial free state-owned broadcaster, Radio New Zealand (New Zealand On Air 2016)
2. 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, Niueans, Tuvaluans, Tokelauns and others of the Pacific Ocean's island groups (Statistics New Zealand 2016).
3. 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.
4. All figures have been removed under part 9 [2] [b] [ii] of the Official Information Act.
5. Steve Maharey was the fourth-ranked 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 studied the media in his PhD work and lectured in Sociology. Maharey also held several other important posts during his tenure in government, including Minister for Social Development and Employment, Minister for Youth Affairs, Associate Minister of Education (Responsible for Tertiary Education) and Minister for Child, Youth and Family. Steve Maharey is now Vice Chancellor of Massey University, New Zealand (Massey University 2016).
6. Radio New Zealand, the non-commercial taxpayer funded public broadcaster of New Zealand.
7. 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 (Ministry for Culture and Heritage 2016).
8. RadioWorks was the radio division of CanWest New Zealand, under which Kiwi FM operated.
9. Auckland, Wellington and Christchurch, the three cities Kiwi FM broadcasts in.



10. 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' (*Telegraph* 2014).
11. Brendan Smyth was involved in designing and implementing government music strategies in New Zealand from 1979 until 2015, 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' (Play it Strange 2016).
12. 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).
13. 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* 2005).

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