

of the two previous programs herein presented as well as to clearly assess the policy recommendations for the third, which should have been launched in mid-1997.

The somewhat inflated claims about the earlier programs based on the report of the international review and oversight committee—that the program has acquired a unique experience in intellectual property rights matters, that it has broken down the walls of Brazilian higher education ‘Ivory Tower’ (which a committee member in a Freudian slip termed ‘Ivy [sic] Tower’), that new transparent funding mechanisms have been established, that new types of university–industry cooperation were launched, and that without it Brazilian science might have collapsed—in the end boil down to the conclusion ‘that PADCT brought modest progress to Brazilian S&T during a period of severe resource constraint and public sector crisis’ (p. 18). PADCT rather constituted, in the reviewer’s opinion, a stopgap policy measure that preserved the existing policymaking status quo and thus failed to initiate a much needed institutional reform in the functionally overlapping yet disparate Brazilian S&T policy agencies. As for PADCT greater transparency, it suffices to recall that the reviewer has been trying for a year to obtain from the program office its official history, announced to have been available in mid-1996!

What the future holds for the PADCT, according to the volume is, puzzlingly, greater focus on human resources training, in conjunction with private sector cooperative institutions, a meritocratic research reward system and functional decentralization to state agencies. Its two main priorities are therefore the creation of an enabling environment for private sector involvement in R&D and the expansion of qualified human capital. But as old statist suspicions die hard, it affirms that ‘Industry-only funding will be considered solely in exceptional cases ...’ (p. 17).

The workshop’s main conclusions, flying surprisingly against the liberalizing winds blowing in Latin America these days, calls for a proactive government role in consolidating past reform achievements, in making new investments and regulations more efficient and granting greater international access for the domestic research community. And the actual list of proposed reforms constitutes a solid shopping list for S&T policy reformers elsewhere.

In short, this volume constitutes a truly rich *smorgasbord* in contents for students of S&T policy in developing countries, particularly policy reform and Brazil. However, the table is poorly set up, the dishes are unevenly presented, and the sauces a bit too rosy. The policy-oriented reader who is able to carefully pick and choose, and add a grain of salt, will nevertheless come out of it satisfied.

*Antonio J. Junqueira Botelho*  
*The Johns Hopkins University/PUC-Rio/ Instituto de Estudos*  
*Avançados-USP*  
*Rio de Janeiro, Brazil*

### **The Remaking of Television New Zealand 1984–1992**

Barry Spicer, Michael Powell & David Emanuel

*Auckland, New Zealand, Auckland University Press, 1996, x + 207 pp., NZ\$34.95, ISBN 1 8694 0151 4*

Spicer *et al.* introduce their effort as a book ‘about the remaking of Television New Zealand (TVNZ) into a commercially successful state-owned enterprise and the management and organisational upheaval experienced by the organisation as a result’. And what

we learn about the management and the organisation, we are taught 'in organisational and management terms' (p. ix).

What the book is quite explicitly not about is the cultural and political dimensions of broadcasting in general and public service broadcasting in particular. It is a book that should be judged for what it is, a project conceived by a Treasury official and produced by academic management accountants. That said, not all its readers, and not all its reviewers are likely to be management accountants.

The authors clearly enjoyed access to the people who count, and quote them liberally in a clearly written, chronologically organised account. Their academic background is evident in their clear, concise technical explanations, and a rather repetitive school-masterly style. The introduction sets up a work that focuses on the management of organisational change in times of uncertainty and complexity by way of a descriptive, analytical and evaluative approach. The plan of the book is then presented, and we're off. We need not read too far into the book to discern a relentless homage to rugged individualism, aggressive managerialism, and uncritical commercialism. Powerful men enter, leave their mark, and exit the story.

Chapter 2 crams the first 25 years of New Zealand television into two pages, and dedicates the rest of its twelve-page potted history to 'milestones' since 1985. The treatment of the first of these milestones sets the tone eloquently.

In September 1986 had come the last gasp of the old order, the Royal Commission of Inquiry into Broadcasting and Related Telecommunications in New Zealand.<sup>1</sup> This Report had been written at a time when TVNZ's reliance on advertising revenue and the good will of governments was fast undermining its independence, morale, performance and *raison d'être*. All we are told of this milestone is that it was 'a long rambling report [which] ignored many of the economic and technological pressures on the industry [and was] out of tune with the growing importance of neoclassical market economics' (p. 9). Nowhere in the book are we told exactly how the Report's view of the world, widely shared even today, had ignored technological developments and nowhere is the prevailing economic theory tested against this view.

One has to turn elsewhere (Paul Smith's *Revolution in the Air*<sup>2</sup> and Brian Easton's *The Commercialisation of New Zealand*<sup>3</sup> come to mind) to discover that the report had engaged the arguments of the neoclassicists from Treasury at length, had undertaken comparative international studies, had identified the mode that offered optimum diversity and quality in programming, had formulated an integrated regulatory structure to achieve these ends and had comprehensively argued the need for public service broadcasting. The narrow focus that informs *The Remaking Of Television New Zealand* is apparent from the start. It is the management of change. and the individuals who do it, that are of interest here. That, and nothing else.

The historical 'context' out of the way, Chapter 3 foreshadows TVNZ's transformation into a state-owned enterprise (SOE) and its concomitant commercialisation. Here the entrenched notions of 'public interest' and the 'production oriented culture' it has spawned are framed as that which must be changed (p. 21). For the manager, it seems, the source of the problem and the focus of action is always endogenous.

We are introduced to the first of our heroes. New Zealand's own 'New Labour' comes to power in 1984 and appoints Hugh Rennie as chair of the Broadcasting Corporation of New Zealand (BCNZ), the statutory government corporation responsible for broadcasting. Brian Corban is appointed deputy chair in 1985. Both perceive, we are told, an extant board 'without a strong commitment to commercial efficiency' because of evident 'diverse interests' (p. 21). Too long a government department, without a competitive culture, and unable to meet head-on whatever the future holds, BCNZ needs

new blood. The old blood is duly let, and to the fore comes the personality that provides the fulcrum for the rest of the book: the new director-general of television, Englishman Julian Mounter.

The balance of Chapter 3 recounts Mounter's replacement of managers and technology, centralisation of control, differentiation of product, and injection of 'an aggressive, competitive mind-set' (pp. 29–31). By the end of 1987, it is clear that the constraints and uncertainties generated by interventionist government are to be withdrawn. It is time for chapter four. Here, Roger Douglas's State-owned Enterprises Act 1986 is brought to bear on TVNZ. Under Douglas, Treasury's rise to bureaucratic prominence is demonstrably swift. It is they who determine how TVNZ's assets are to be valued and how the new entity is to be structured. As 'a lot of conflict' is possible in such a process, Treasury recommends 'no negotiation with the company' (p. 41). Nevertheless, the valuation process proves difficult and time-consuming, and Mounter cannot wait. He is keen to shed staff, 'outsource' drama production, and pursue efficiencies. He also insists that the new competitive order demands that TVNZ have a high definition television (HDTV) capacity by 1995. Which just goes to show how difficult is the business of forecasting in general and technology policy in particular. We're still all waiting for competition to bring us the delights of HDTV, and recent corporate decisions in the US suggest we still have some time to wait.

From the point of view of recent technology policy theory, this is crucial stuff. It could highlight both the political nature of innovation policy and the need for flexible, reversible policy with continued scope for external intervention (see, for instance, Cees Hamelink's *The Technology Gamble*).<sup>4</sup> It could, but here it doesn't. True to their frame of reference, the authors see the issue as no more than a technical problem in forecasting and valuation, and duly offer a usefully succinct account of the valuer's approach to forecasting and the modelling of cash flows (pp. 44–50). It's all very informative, but it remains narrowly technical. The causal assumptions implicit in technical forecasting are themselves challenged by advocates of futures research.<sup>5</sup> Furthermore, the valuer's specific recommendation that TVNZ confront the challenges and opportunities of technological convergence by extending its services beyond mere broadcasting is itself a moot proposition. Neither issue gets a mention here.

As the purpose of the exercise is valuation, it is interesting to see what is, and is not, being valued. Exercising the minds of the valuers, and consuming sixteen pages of the book (pp. 43–59), are price-earnings techniques, the impact of competition, savings associated with redundancies, projections of expenditure on technology, and standards of financial reporting. Nowhere are the notions of 'social benefit' and 'culture' even mentioned. Again, Easton's book shows how the neoclassical take on social benefit is static, simplistic and consequently fundamentally flawed. What's more, he argues compellingly that it is precisely an evolutionary culturalism that best elucidates the dynamic instability of, among other things, audience preferences. Confined by a perspective that might best be termed market technicalism, the government and their agents are clearly missing something important here. Unfortunately, the authors' insistent managerialist approach misses it too. And, as Easton points out, 'not including a valuation of culture in one's objective is a valuation of culture as zero'.<sup>6</sup>

Treasury, TVNZ, and the authors of this book implicitly share one article of faith. One can not operationalise politics and culture, so they are not theoretically incorporated. After all, if it can't be counted, it doesn't count. We see in chapter four that the virtues peculiar to a public service broadcaster can not be, and are not, counted.

By Chapter 5 there is no public service broadcaster left. We have before us a generic enterprise, confronting technological complexity and imminent competition in what is

now only its 'core business'. Mounter, who has always known this, upgrades the sales and marketing department, embarks on a branding strategy, identifies TVNZ's competitive advantages, brings in consultants, and secures exclusive long-term contracts with salient suppliers. The chapter concludes with the undergraduate text-bookish point that 'TVNZ exemplified both the defender and prospector organisations of Miles and Snow's classic typology of strategic alternatives'. This is all generic stuff. The book is about broadcasting, but it could be about any public monopoly suddenly exposed to 'the market'. If there is anything that sets broadcasting apart from other enterprises (as argued, for instance, in Julianne Schultz's collection *Not Just Another Business*), you won't find out what it is here.<sup>7</sup>

Chapters 6 ('New Management Structures and Culture'), 7 ('Relationships and Pressures'), and 8 ('Financial Performance') serve only to take us further from the specificities of broadcasting. The 'culture' of Chapter 6 is that of the managers; the 'relationships' of Chapter 7 are not with audiences; and the 'financial performance' of Chapter 8 suggests that the valuers have been too pessimistic in their forecasts and the government too optimistic in their demands. No matter how narrow the frame of reference, it seems, prediction remains an imperfect science.

As the authors say, 'of all the Anglo-American countries with strong public broadcasting traditions, New Zealand went the furthest in restructuring the entire broadcasting system'. This remains true today, but we discover nothing about programme quality. One is left with the strong impression that neither the authors of New Zealand's broadcasting policy nor those of this book consider this irksome notion the proper province of their deliberations.

If one quote characterises the political economy implicit in this book, it may be found on p. 182:

Cultural critics, in particular, argue that the public should expect 'quality' programmes as one of the dividends from the state-owned broadcaster. As a result the company, although a commercial success, remained particularly vulnerable to social and political pressure and to the threat of future regulatory and legislative intervention so long as it remains in public ownership.

By this reckoning there are many such threatening 'cultural critics' about. And New Zealand still has its share of malcontents. In 1996, University of Waikato sociologist Pahmi Winter told the ABC's Agnes Warren that 'the reaction to the commercialisation of TVNZ, from everyone other than politicians and the executives of the company, has been to dismiss it as tabloid, as a serious sort of shrinking of, or denial of, the responsibilities of the State'.<sup>8</sup> She explained away TVNZ's good ratings as 'a reflection of the absence of alternatives ... because we only have commercial television'.

To look at broadcasting as business, and true public service broadcasting as definitively bad business, is to see the transformation of broadcasting in New Zealand from a point of view the audiences do not share. Media commentator Paul Smith covers much the same territory in his new book *Revolution in the Air* as do Spicer *et al.* And, while he acknowledges some post-reform improvements, chiefly in better targeted programme funding, a healthy independent production sector and a substantial increase in New Zealand-made programmes, he points to some disconcerting trends. For Smith perceives ever less depth in broadcast news, a general failure of media to scrutinise issues of media ownership, the failure of increased television options to generate an increase in programme diversity, and the decline of the ethos of public service broadcasting. While Spicer *et al.* assert 'social pressure for change' can be identified as a driver of all this organisational change (p. 181), Smith comes to a very different conclusion:

The Reformers came offering change, freedom and choice. And the viewers, distracted and harried by other constant and sometimes painful restructuring, were more concerned about their daily bread than the circuses of broadcasting. In the end they were not given the television they wanted—nor were they asked. They were presented with a system designed to enrich the state, the broadcasters and the advertisers.

However much these may be virtues in a business, they have nothing to do with public service broadcasting. And however much Barry Spicer, Michael Powell and David Emanuel tell us about the management of change, they too have nothing to tell us about public service broadcasting.

### **Notes and References**

1. Royal Commission of Inquiry, *Broadcasting and Related Telecommunications in New Zealand: Report of the Royal Commission of Inquiry, September 1986* Government Printer, Wellington, 1986.
2. Paul Smith, *Revolution In The Air* Addison Wesley Longman New Zealand Ltd, Auckland, 1996).
3. Brian Easton, *The Commercialisation of New Zealand* Auckland University Press, Auckland, 1997.
4. Cees Hamelink, *The Technology Gamble. Informatics and Public Policy: A Study of Technology Choice*, Ablex, Norwood, NJ, 1988.
5. P. Holroyd, 'Change and discontinuity: forecasting for the 1980s', *Futures*, 10, 1978, pp. 31–43.
6. Brian Easton, *op.cit.*, p. 59.
7. Julianne Schultz (ed.), *Not Just Another Business* Leichhardt, Sydney, Pluto Press, 1994.
8. Pahmi Winter, Interview with Agnes Warren on 'The Media Report', *ABC Radio National*, 28 March 1996.

*Rob Schaap*  
*University of Canberra*  
*Canberra, Australia*