The Popular Music Industry in Australia
A study of policy reform and retreat
1982-1996

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The popular music industry in Australia: a study of policy reform and retreat,
ABSTRACT

This study examines the political economy of popular music policy initiatives during 1982-1996, when the Australian Labor Party was in government Federally and in the State of Victoria. Building on the cultural studies concept of articulation, the popular music formulation theory is proposed as the basis for examining the alignment of the fields of social and industry policy with the existing popular music industry. A series of case studies examine the ALP's interest in popular music policy, the influence of Australian popular music achievements on the policy formation, the role of activists within the party and the subsequent inquiries and proposals that flowed from the party's concern to establish programs that would offer social provisioning outcomes. Using concepts derived from institutional economics, the thesis shows that the existing popular music industry, in particular multinational record companies, were disinclined to participate in and financially support the policies. Positive outcomes were realised in the creation of institutions such as Ausmusic, the Victorian Rock Foundation and The Push. Although dependent on public subsidy, some of the initiatives offered a new funding model, such as the failed blank tape levy. Alternatively, the examination of community music programs found that some local or micro projects generated industrial characteristics of their own, to become economically self-sufficient, rather than dependent on subsidies. Evidence that the private interests of the existing music industry determined their reluctance to participate in the policy programs became clear with the Prices Surveillance Authority's Inquiry Into the Prices of Sound Recordings in 1990. The research found that from 1982 until Labor lost power in 1996, no effective method had been established for engaging the existing music industry in funding and supporting the policy initiatives. With the possible exception of the evolution of industrial characteristics within community music programs, no resolution to this policy failure is apparent.
Acknowledgments

This study takes as its starting point, my personal involvement with popular music. After a decade as a journalist, and in the latter part of the 1980s, completely absorbed in writing about Australian popular music, I began to feel uneasy. The remarkable pressure to operate as an extension of a global publicity machine, managed and orchestrated by record company executives in head offices in London, New York and Los Angeles, was not what I set out to do. I wanted to maintain my original interest in the action that seemed to be historically associated with popular music. I wanted to have fun in Australia, with Australian rock - whatever that might have been. At about this time, a series of Victorian and Federal Government popular music initiatives were launched, on which I reported for various newspapers and ABC radio, in my capacity as a freelance journalist. They offered a counterpoint to the process of servicing the publicity machines of far-off head offices. The policies seemed to me to offer an opportunity for Australians, particularly young people, to receive support for and have access to popular music, without the self-interest of vast record company involvements. So this thesis came about out of a sense of abiding involvement in and enthusiasm for Australian popular music.

I had thought about documenting the policies in a formal sense, but not in the detail involved in this thesis. I began the academic work after I met Dr Richard Collins at Royal Melbourne Institute of Technology. He suggested that I put my enthusiasm for the music and my working knowledge of the record industry to use and pursue a study at this level. His enormous enthusiasm was the starting point for this project. Dr Collins introduced me to Professor William H. Melody, Founding Director of the Centre for International Research on Communications and Information Technology (CIRCIT), in Melbourne, who took an interest in my work and later was my second supervisor. After an initial few months as a researcher with the RMIT Media
Industries Research Group (MIRG) based at CIRCIT, which Dr Collins initiated, this detailed study of popular music policy offered a stimulating and rewarding challenge. It also provided me with a means of changing my career and undertaking more detailed research. My engagement with the music did not wane. It merely moved on to a new tangent.

Mick Counihan at RMIT was initially involved in the project and his knowledge of broadcasting policy, coupled with his long-held enthusiasm for popular music, was extremely helpful in the early stages of deciding how to approach my subject. Victoria University of Technology (VUT) provided support for my work in the music industry and cultural industries, which was hardly recognised within the accepted range of academic research areas in Australia in the early 1990s. Associate Professor John Sinclair at VUT, was one of the few people involved in detailed research and writing in cultural industries. He has provided detailed supervision of the thesis and accepted the rigours of reading and commenting on drafts, while providing encouragement while I have worked full time and completed writing. Professor Peter Sheehan has been a steady supporter of the work, bringing his industry experience and practical advice to bear on the task.

Numerous other people have assisted me. Terry Dyson, Director of the Information and Communication Industries group within Multimedia Victoria (MMV), in the (non-Labor) Victorian Government, gave me a wonderful job working in multimedia industry development, where, unbeknown to him, I could apply some of the knowledge I had gained from my examination of popular music policy. He also recognised my interests in critical and academic pursuits. My colleagues at MMV occasionally saw me exhausted from the hours of writing late into the night and I thank them for their patience. I would also like to thank Chris Healy, Ken Ruthven, Simon During and Jody Brooks at The University of Melbourne for recognising my efforts and inviting me to teach From Rap to Rock: Cultural Formations, in the
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exemplary. For her, as for me, the cause of democratic socialism is not merely theoretical.
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Introduction

During the years 1982-1996, popular music policy initiatives were introduced following the election of Australian Labour Party Governments in the State of Victoria (1982) and Federally (1983). The process of creating those policies and the impact of the policy initiatives themselves represented a major shift in government policy in Australia. This thesis examines how those policies changed and challenged definitions of popular music as a cultural industry. It analyses the development and implementation of the popular music policies from a political economy perspective, bringing together two fields of investigation which are often considered to be antagonistic: the cultural and the industrial. In undertaking the study, I am seeking to excavate the sites at which the cultural, industrial and policy issues converged. I will undertake this task proposing an appropriate political economy which relies on the evolutionary theories of capitalist development outlined by Thorstein Veblen, known as institutional economics, while drawing on cultural studies for articulation theory. In so doing, this study investigates the way in which policy might operate as the mediating logic for government interests in the context of social and industry policy, throwing light on the political economy of the popular music sector in Australia.

The study had three objectives:
To build a theory that explains the development of popular music policy in Australia;
To establish a political economy of the popular music policy process;
To use selective case studies against which to examine the theory.
In setting these objectives, this thesis makes a contribution to cultural studies by using institutional economics to focus on the convergence of culture, industry and policy in Australian popular music. In this respect, the thesis is intended to extend the cultural policy
studies field within cultural studies, by identifying the construction of music policy initiatives as cultural formations in the Australian context. It is presented in two parts. The first concentrates on the development of a popular music policy formulation theory which is constructed from and informed by the literature reviewed. The second section of case studies examines selected popular music policy events and initiatives during the years under review in an attempt to identify how the policy activity was unfolded during the decade and a half under review.

The approach I have pursued has incorporated elements of 'master narratives' into the story to produce an appropriate, national political economy (Crowley and Mitchell 1994: 5, 17). Political economy is defined here in a rudimentary fashion, before being elaborated on in the literature review, as the study of changes brought about by the intersection of public and private domains, mediated by explicit government policy. In undertaking such a study the investigation provides insights into the characteristics of the society being examined. I am applying an approach defined by the term 'Australian cultural studies' (Turner 1993 and Morris and Frow 1993). That is an examination of the conditions and events in the Australian context in relation to global issues, building on existing cultural studies theory.

Overall, however, the problematics of a national culture maintaining its difference against, in spite of, or even in collaboration with, the contemporary pressure towards globalisation has become the ground for Australian cultural studies of all descriptions (Turner 1993: 10).

In undertaking the study, my approach draws on a number of traditions, using an interdisciplinary method which refers to and draws from the following: Thorstein Veblen and institutional economics for industry and corporate issues; Marx and Marxist traditions of economic analysis, for an examination of the commodity form; post-modernity,
especially the work of Jean Baudrillard for additional insights into the market economy; the cultural studies work of Stuart Hall, Lawrence Grossberg and Will Straw for articulation theory; and the work of Graeme Turner, Meaghan Morris, Stuart Cunningham, Tony Bennett and Gay Hawkins, for Australian cultural policy studies. The synthesis of these approaches enhanced my reading of popular music policy initiatives, while providing the tools for building an approach that is relevant and focussed (Hodgson 1988: 23-24). My strategy is to bring together industry and social policy in the popular music policy formulation theory, which describes the preferred relationship between reformist Labor Governments and the existing music industry. The 'existing music industry', I define as the major record companies and their music publishing and independent label subsidiaries, which have historically enjoyed a predominant economic and cultural position in Australia.

Selective case studies have been used to provide a coherent perspective of the popular music policy field, suggesting that despite the ALP's intentions, policy was simultaneously moving in a number of uncoordinated directions. My conclusion is that the scope of popular music policy initiatives was inconclusive, due to a lack of singular focus, resulting in too much power remaining with the existing industry. The study found that: committed individual ALP popular music policy activists did not carry the bureaucracy, politicians and industry with them; the policy moment included detailed inquiries and reports that produced exciting ideas for moving the popular music initiatives from a subsidy dependent relationship with the state, to a self funding situation, in particular the blank tape levy; community music projects in Victoria and nationally evolved their own industrial characteristics when they were responsive to local needs, yet they were not incorporated into ALP popular music policy initiatives; the Victorian Rock Foundation (VRF) and Ausmusic were innovations aimed at establishing new institutions to meet
social and industrial concerns, which the existing major record companies did not consider worth supporting financially, resulting in the closure of the VRF, while Ausmusic realised some of its potential by producing educational curricula; the 1990 Prices Surveillance Authority Inquiry Into the Prices of Sound Recordings exposed the internal workings of the existing music industry and their exploitation of the Copyright Act 1968 to protect their financial interests; efforts to coerce the existing industry to contribute to the growth of Australian popular music, resulting from the PSA inquiry through the Music Industry Advisory Council and the Music Industry Development Agreement were fraught and unresolved.

The selective cases I have examined are not definitive, yet they are drawn together in this study by the decade and a half in which the ALP was in government. Further studies could examine in more detail elements of the issues I have considered, while adding to the important theoretical work that is required in building an understanding of Australian popular music policy.
Part 1
Section 1: Establishing the study

Chapter 1

Questions and strategies

This study proceeds on the basis of a series of hypotheses, all of which will be tested as the thesis progresses. This study works across three clusters of hypotheses which are intrinsically related to each other and find resolution in the research question.

(1) The primary cluster of questions invokes relatively traditional notions of political economy and the conjunctions of industrial and economic concerns in the popular music policy context.
- that commodification of music moved to a new plane in Australia during the decade under review, and was caught up with policies generated in the economic policy sector.
- that the interpenetration of the Australian economy into the global economy produced unrealistic expectations for music.
- that the business and industrial structures already in place when the music policies were proposed made it virtually impossible for Australian music policy to flourish.
- that new and localised music-oriented institutions were introduced to augment and enhance Australian music without a rational sense of how the issues above affected such local initiatives.

(2) The second cluster of hypotheses are collected around specific political and related policy issues.
- that the ALP used popular music as part of a political agenda of reform to draw nation-making issues further into the mainstream.
- that a localised set of popular music policies provided genuine musical enhancement.
that a set of policies based on a social democracy model, and aiming to generate social benefit, were emasculated by ignorance.

that popular music policy initiatives became an adjunct to economic and industrial issues, which denied the policies the chance to flourish.

(3) Social and cultural questions provide the basis for the third cluster of hypotheses. (The relationship of the cultural to the industrial is central to this thesis and will be considered in detail in the chapter on theory).

that the cultural issues foregrounded by music policies in the decade under examination had to confront a range of issues that had not previously been confronted in the cultural policy sector.

that the existing music industry created unexpected obstacles to the development of local music policies.

that the economic and industrial components of the policy considerations were not appreciated by music policy makers, governments, cultural activists and practitioners, seeking social and cultural outcomes.

The relationship between the first, second and third clusters suggest a circularity of relationships. This is intentional. I have built a model of the popular music policies undertaken during the years under review which will indicate the systematic nature of the interaction between the economic, the industrial, the cultural and policy dimensions, which are informed by these hypotheses. These relationships are not exclusive of relationships that may occur elsewhere and at other times, due to 'new configurations and new questions' (Grossberg 1986: 70). However, the purpose of this approach is to build a model that is appropriate for the study under review in the Australian context, and reflects the prevailing 'open', or eclectic theoretical tone of the thesis which finds a common point in political economy.

The hypotheses find their realisation in the research question which amplifies the relationship between culture
and economy. The research question has two parts. The first is:
Why did governments in the years under review introduce popular music policies?
The second is:
Were the policies effective?
The questions seek to throw light on the conjunction of social, economic and industrial concerns (Ryan 1991: 14-15).

This study then, investigates a number of issues that arose when the ALP formulated and introduced popular music policy initiatives. It examines the context in which the ALP introduced its policies and indicates the nature of the changes. It identifies the way in which popular music policy reform was undertaken. It suggests that the policies were caught between the constraints of economic and social pressures, which proved to be unresolvable, with some exceptions. Importantly, my research indicates that it was at the community or 'micro' level of popular music policy, that real advances were made, while those policies aimed at the existing industry were fraught with constraints. In arriving at this conclusion, I have followed the three streams of investigation which flow from the hypotheses and research question. They converge to form a political economy that I believe is appropriate for this study. In the next section I will briefly outline some of the antecedents from political economy which I am using.

Appropriate political economy

Political economy is the science which starts from the view of needs and labour and then has the task of explaining mass-relationships and mass movements in the complexity of their qualitative and quantitative character. This is one of the sciences which have arisen out of the conditions of the modern world. (Hegel, The Philosophy of Right: 189)

Political economy is a theoretical viewpoint that can expose the policy issues, the public interests, corporate and government concerns of the day, while seeking to make
explicit the changing relationship between labour and capital. In this sense, political economy provides a focus that needs to be reassessed as a suitable means of analysis in the cultural policy and popular music studies fields, as it brings into systematic alignment the forces at work (Shuker 1994: 25). In recent years, political economy has become both fragmented and marginalised, moving in a number of directions, as I will show in the following pages. As a Marxist strategy it lacks currency, where it is no longer viewed as an analytical tool. Similarly, Marxist debates invoked a politics that was frequently obsessed with objectivity, failing to recognise the subjective position of contemporary research practices and experiences, thereby producing reductive, determinist readings of society, incapable of working within the real world concerns of government and the production of social, cultural and even general policy concerns (Agger 1992: 51-52). Yet political economy encapsulates a historical component, theorised by Marx in the term 'historical materialism', which welded the evaluation of social progress to economic developments, which has been recast as a means of inquiring into 'distinct modes of domination' by a range of interests (Poster 1990: 56). An incorporative 'regime' of concerns recognises that in the historical shifts constantly taking place, it is no longer possible to employ the closure of Marxist tactics: rather I propose to accept the proposition that in political economy 'meaning, value and function are always the effect of specific (and changing, changeable) social relations and mechanisms of signification' (Frow 1995: 145). As I shall show, I am seeking to employ this open approach as a tool in approaching cultural policy studies.

The work of Louis Althusser provides another entry point to political economy, which assists in systematising this study. Althusser was unreservedly a champion of Marx's philosophy, working on interpretations of Marx's corpus of work, with particular reference to the ideology of capitalism (Ricoeur 1994). In a summary of his
interpretation of Marx's contribution as read in Capital, Althusser linked history and political economy as 'constitutive elements' of the mode of production of society (1970: 197).

the object of the theory of history and therefore the theory of political economy- they study the basic forms of unity of historical existence, the modes of production (1970: 195-196, italics in original).

Althusser argued that it is 'knowledge of the modes of production' that 'provides the basis for posing and solving the problems of transition' (1970: 198). A major part of this knowledge stems from Althusser's concept of the relative autonomy of the social formation, which recognised the relationship between the economic, the political and the ideological: 'a combination of distinct elements fitted to constitute the unity of a mode of production' (Althusser 1993: 185). This concept of knowledge, which I want to term an epistemology of production, is effective in the context of building a theory of change. Without resorting to a positivist approach, the concept of epistemology of production suggests that appropriate analysis of the history of capitalist development will generate commensurate problem solving knowledge. Such knowledge of production, including the social and political processes, can help expose the multiple levels of cultural formations. Furthermore, this knowledge offers a critique of the purpose of policy, identifying its linkages with the modes of production. Cultural policy studies requires that this set of relationships be made explicit (Grossberg 1992: 116). This study's theoretical purpose then (examined in the theory chapter) seeks to indicate how policy, or government regulation of social and economic and industrial behaviour is ubiquitous across society and intrinsically engaged with popular music production. Once exposed, policy's links to the modes of production and therefore to an epistemology of production are clarified, making it clear how policy cohabits within the social and economic system.
Contemporary political economy draws on numerous streams of theory, which when combined, contain elements that can be traced from Marx and Hegel's systemic approach (and classical economy) and their efforts to find a resolution in the epistemology of production. All these streams do not however sit within the tradition of radical praxis and critique that has been a hallmark of the Marxist quest to explain capitalism. Of necessity therefore, this thesis pragmatically adopts elements from the political economy 'tool box', for use where appropriate. In using this approach, my primary goal is to refine the analytical tools available within political economy, by generating an understanding of the epistemology of production in Australian popular music policy.

I have identified seven prevailing streams of political economy which are relevant to this study. They can be outlined as:

neo-classical, with an emphasis on pricing and market behaviour;¹
- an administrative version which emphasises improving the status-quo of business relations as providing the preferred social outcomes for society;
- a multi-theoretic, post-structuralist version proposed by Baudrillard, but drawing heavily from Marxist concepts, including concepts taken from post-modernity ²;
- the 'vulgar' Marxist approach with an emphasis on quantitative accounts of class and labour relations within the means of production;
- contemporary neo-Marxist and Weberian - 'economic sociology' - approaches, with an emphasis on the

¹ It is instructive to note the cautionary tone of Tirole, when he reflected that 'There is no simple recipe for defining a market, as is demonstrated by the many debates among economists...' (1987: 12). It is for this reason that it is inappropriate to reject considerations of 'the market' as bound by restrictive definitions, when other conceptions of the same or similar organisational mechanism for commercial exchange may be available, and useful.
² I will detail Baudrillard's contribution in the theoretical chapter. His post-structuralism has been defined by Jameson as 'necessarily ... historicist in the inevitable positing of distinct stages of social development, whether the sequence of the latter is formulated in terms of evolutionary continuities or in those breaks, ruptures, and cataclysmic mutations' (1985: xii, in Attali, italics in original). Despite such criticism, Baudrillard's approach offers valuable insights into contemporary readings of commodity formation.
interconnections between the political and economic forces driving social and cultural institutions and the power relations expressed through conflicts between those institutions (Raboy and Dagenais 1992: 3, Garnham 1987);
- institutional economics traced directly to Thorstein Veblen, with an emphasis on evolutionary capitalism and socially beneficial policies.

An inclusive approach that nominates precise sectors for investigation, yet draws on both Marxism and institutional economics, has been proposed by Golding and Murdock, who emphasised the following four points: 'the growth of the media; the extension of corporate reach; commodification; and the changing role of state and government intervention' (1991: 15). It is instructive that this example of political economy incorporates the abstracted concept of commodification (proposed most clearly by Marx in Volume 1 of Capital), together with a quantitative criterion 'the growth of the media'. In many respects the most effective political economy may be a pragmatic one such as this, which links aspects of the above selected streams of political economy. It serves to suggest a sensibility to real world practicalities and theoretical concepts which adds cogency to my objective of generating knowledge about the context in which popular music policy takes place - the epistemology of production. Golding and Murdock's approach involves a theoretical and practical mix, which I believe is necessary for cultural policy studies, and which I have pursued in this study. In this way it is possible to avoid either theoretical inappropriateness and obscurity, or a descriptive, untheorised method of total practical utility. The political economy preferred here is closely aligned with the evolutionary tradition of institutional economics, which seeks the 'pragmatically relevant' points for investigation within the system, as Golding and Murdock's approach suggests (Klir 1985: 330). In suggesting this pragmatic approach to the possible approaches to political economy outlined above, I am seeking to draw attention to the approach that best encapsulates them all, namely
institutional economics. Golding and Murdock's approach suggests that this is a useful means of advancing political economy, yet they seem unfamiliar with the tools offered by institutional economics.

The most effective means of incorporating a pragmatically relevant and substantive approach into political economy is offered by Veblen and institutional economics. By examining the developmental history of modern capitalism and its institutions and policies, institutional economics offers a means of enhancing an epistemology of production, by drawing attention to the processes of capitalist development in the economic, social and cultural fields. In a later chapter I will detail key elements of Veblen's work, together with recent work in that tradition. My approach emphasises the systematic and evolutionary nature of the inquiry. It approaches political economy by proposing 'a theory of social change' as the starting point for a detailed examination of the processes underlying the formation of economic, social, cultural and institutional structures in society (Samuels 1987: 865).

A cultural studies approach
The pragmatic approach I have outlined above has inherent risks, which I recognise. In particular, it provides critics an opportunity to denigrate an inclusive approach, because it may lack the rigour of highly focussed theoretical work. However, I have sought to resolve this limitation by working across the political economy tradition using articulation theory to inform the pragmatism of institutional economics (Angus 1992). I use articulation theory to explain how the relationships occurred in the Australian context and how they were an expression of the national political economy (Morris 1993: 15, 17). In approaching the subject this way I have developed a theoretical framework to analyse how popular music policy operates. The theory is generally applicable across cultural industries and may be useful for policy analysis in general. I have called it the Popular Music
Policy Formulation Theory, which relies on a schematised construction of articulation. It seeks to indicate how policy is the primary vehicle for mediating social, cultural and industrial concerns, in a national context.

I am not going to examine the arguments for or against the concept of 'nation' (Turner 1994). Rather, I will proceed on the assumption that the policy initiatives being examined were restricted to the Australian political environment, defined by existing geographical and constitutional boundaries. Yet I am fully aware that virtually all the policies under consideration found their gestation point at a time and place where national interests needed to be differentiated from, as well as aligned with global or interests outside Australia. I have sought to draw attention to policy issues by selectively reviewing some of the social and industry policy literature that reflects on the years of ALP government and linked that to key issues in institutional economics.

I have constructed the theory in a way that brings the socio-cultural into alignment with the economic-industrial. Articulation theory is used to explain linkages in the system described by the full range of relationships between social, cultural, economic and industry concerns and policy. Three strands of investigation are therefore involved: 1) social, 2) industrial, 3) policy. Articulation theory explains the nature of the convergence between the three sectors, which operate within a relative system of open relationships (Hall 1986: 59). The 'sectors' are component parts of the whole. They are, in keeping with the methodology of articulation theory, in a process of constant negotiation (or discourse) with each other. They do not exist independently of each other, yet they can be discretely described, distinguished on the basis of definitions that rely on exchange value and use value in the market economy. (I will elaborate on these definitions in the theory chapter). Articulation theory enhances the understanding of the political economy of the relationship
between the three strands of investigation, providing a focus for policy studies. Significantly, the model indicates how commodification of music is inherently related to a process of policy initiation and organisation, and argues that without an understanding of commodity formation in the process, policy initiatives such as the ones established, would be unlikely (Frith 1983).

My contribution to the field of cultural studies and the starting point for the political economy method used is primarily based on bringing my theory to the institutional economics tradition (or school). This approach maintains that the 'economic domain is inseparable from a host of social and political institutions in society at large' and as such, when studied, reveals important features of the behaviour, mores and values of the society (Hodgson 1988: 15). I am not proposing a total or holistic system. Other writers have critiqued attempts to propose a 'holistic system' of analysis (eg Hodgson 1988: 17). The intersection of the sectors is fraught with too many pressures to make it possible to claim that any proposed system can be holistic. Rather, the approach used here and the one in keeping with articulation theory adopts an eclectic approach, where systemic closure is not the objective (Hall 1986: 59). A 'multi-factorial analysis' is necessary, as Miller has suggested (1994: 28). The objective of a political economy approach in the cultural studies tradition therefore, attempts to map out the possible points at which the sectors intersect and the factors that impinge on those linkages. An open system is an effective way of describing the approach, allowing alternative readings or explanations to be presented, where 'connections and influence from an external environment' are readily admitted, even welcomed into the analysis (Hodgson 1988: 18). The 'relative indeterminacy' of the articulation theory approach is suited to this thesis, as it brings together the social, economic and policy issues, without the imposition of totalistic claims (Hall 1986: 43).
The repertoire of cultural studies is extended rather than threatened by a study such as this, as it seeks to mine existing academic approaches in order to contribute to knowledge in the field. In particular, the potential of cultural studies to describe and delineate fields of activity in society is enhanced by articulation theory which promotes the inclusive, 'relative openness' of the cultural studies project (Hall 1986: 43). That is, articulation theory allows the object of study - Australian popular music policy - to be examined in the light of the industrial, cultural and social policy issues that affect it, identifying the systems and subsystems of relationships and the way in which they are articulated with each other. Articulation theory is therefore a 'theoretical balancing act', which enables 'an important theoretical reconciliation' between a variety of approaches (Hunter 1988: 116, 117). As an interdisciplinary project therefore, this study has selected a range of approaches and implemented them, using what Turner referred to as 'a multiplicity of theorised practices' which can be traced to the concept of openness (1993: 3).

In extending this approach Straw has suggested that a 'system of articulation' provides a means of identifying the multiplicity of linkages and levels of articulations (1991: 369). For example, music policy may link in at one level with Intellectual Property Rights through the Copyright Act, which connects with industry development policies and national and international cultural and economic activity, precisely because the Copyright Act prescribes the economic and social relations which are the mechanisms for industry building. The task is to recognise the linkages across the system and examine them.

This approach may be undertaken by identifying systems and subsystems of relationships and examining those systems in relation to each other, according to an arbitrary selection of articulations which are appropriate for the study. I
emphasise 'appropriateness' because it supports the notion of national cultural specificity identified earlier as a feature of Australian cultural studies and the place of policy in such a context. Likewise, a national political economy can be seen to be appropriate for the specific concerns and conditions applying in a given set of circumstances. An inappropriate study involves generalisations based on global assumptions which fail to recognise that articulation theory reflects the dynamics of localised experience.

In the next section I will indicate how this approach informs this study.

Selective case studies
Australian cultural policy studies became significantly controversial following the publication of Stuart Cunningham's 1992 book, *Framing Culture: Criticism and Policy in Australia*. How cultural policy would be made and implemented became vigorously contested, especially and most publicly by Meaghan Morris in a special 1992 issue of *Meanjin*, 'Culture, Policy and Beyond' (545-551). She suggested that an approach that used a 'multivariate critical strategy' to highlight 'realpolitik' would be more valuable for cultural policy than a polemic, such as Cunningham's, aimed at building a self conscious citizenship (1992: 548). While I do not intend to revisit this debate, it is important to note that it took place against a background of Labor Party policy building and often heated discussions about the suitability of applying critical theory to a variety of professionalised and technical policy concerns (O'Regan 1992: 518). This is a continuing issue, which I will not discuss here. Suffice to say that my case studies are derived less from this eruption of 'official' argumentation about cultural policy, where government subsidy and regulation was well established - such as television content quotas. My study is derived from the new terrain which was opening the existing popular music industry to government scrutiny. In
this respect, this study is not defined by existing cultural policy, but by emerging governmental interests in industry, which grew as part of the globalising priority of the ALP in the 1980s. This involved recognising that the existing popular music industry flourished in an organic industrial context, where policy initiatives were more of a threat to the self-contained behaviour of a flourishing business. Academic inquiry was an added threat to the existing popular music industry. In setting the context for the background to the study, I have made the theory chapter the culmination of the context-setting work.

I have moved from the theory of articulation to its application in the cases being studied. This takes a number of turns. For example, in examining where the policies came from, I have sought to highlight the way in which rhetoric played a key role in forcing popular music policy on to government agendas. As I indicated in my introductory discussion of articulation theory, this includes arbitrary identification and analysis of historical changes in the social and economic climate. For example, an examination of Mushroom Records and its relationship with Kylie Minogue shows how pop music globalised the local record industry: and came into alignment with Federal Government objectives which recognised the 'interrelatedness of the world economic system' (Whiteman 1990: 35). My intention in using this example is to indicate that the rhetorical space in which music policy operated consists of unlikely stakeholders in a much larger policy context. There were some predictable stakeholders as well, such as youth committees of the Victorian Labor Party, which entered the rhetorical space opened up by the ALP's reformist liberalism to promote youth and entertainment interests in Victoria. This rhetoric ultimately fed into Federal political initiatives.

It is inevitable that official sources form an important part of the overall study, because it is in official records that stakeholders express either an abstract or
concrete view on the relevance and meaning of real events, such as Kylie's influence on popular music policy. Public inquiries into the music industry during the 1980s provide a basis for this study, with special attention given to the 1987 report *Patronage, Power and the Muse: Inquiry Into Australian Assistance into the Arts* (known more commonly as the McLeay Report, named after the chairperson of the committee, Leo McLeay). This was the report used to galvanise politicians at a Federal level to initiate popular music policies.

To contrast the macro sites of popular music policies, such as official public policy inquiries, reports and initiatives, I also examine the micro sites, namely how a different set of policies worked at a localised level. My research on community music suggests that these programs manifested unique musical cultural activities, potentially with much greater prospects than at the macro sites. They were however, overlooked in the overall program of popular music policy initiatives in the 1980s. Importantly, community music was where economic and industrial formations occurred that were more in keeping with policy objectives being attempted at macro sites, with very little benefit.

In examining the breadth of activities of the music industry, it was inevitable that copyright would require examination. Copyright is the motor of the music business. I examine how it worked, from a non-legal, institutional economics perspective. I also wanted to examined the PSA inquiry, as the point of rupture in the policy environment. Prior to 1990, the official approach to popular music policy initiatives had been relatively well orchestrated by stakeholders. With the PSA inquiry, the official approach collapsed as the mechanisms that were in place were no longer open to the established processes of rhetorical manipulation and outcome-oriented planning by stakeholders, which included politicians and bureaucrats. This aspect of the study revealed the failure of the policy initiatives to
recognise and act on what the PSA identified: that the existing Australian music industry is dominated by overseas record companies, which required considerably more than the soft hand of reassuring corporatist policy activity to generate popular music policies that mattered.

Methodology and strategies

This study follows a social science approach. It includes a normative stream of inquiry, defined by the constraints of academic discipline:

Social science is defined as the integrated use of the subdisciplines - politics, economics, sociology, anthropology and social ecology - and their outreach into the humanities, which, in interwoven form, analyse human society and its governing conditions and processes (Gottlieb 1971: 33).

The critical theory tradition builds on the analysis of society's 'governing conditions and processes'. It moves from there to take up an explicit subjective position which is based on proposals, propositions and recommendations, founded on a belief in rational social action. In this normative scenario, 'what is and what ought' are the key foci. That is, once the analysis indicates what exists and how it came into being and the political economy is detailed, critical propositions based on Enlightenment notions of rational policy outcomes are theorised, proposed and argued for. These are the 'hoped for outcomes' and are an important feature of institutional economics (Dugger 1987). They are not, however, as Sheehan has noted, a set of defined, closed propositions which have been imposed in a 'dictatorship of reason', but an approach that addresses the needs of individuals and their communities (1995: 13-14).

In a political economy sense, such outcomes can be achieved by policy initiatives in a nation building context. Policy can, according to critical theory, be implemented by social action. The linkage of policy to critical theory, which produces what ought to be in society, is presented here as yet another branch of the unique tree of Australian
cultural studies. The sense of personal engagement implicit in the social science-critical theory approach should not be underestimated in the cultural policy studies sense. As I indicated in the Acknowledgments, my approach to this study began with my involvement as a journalist in the Australian popular music business. Proposals from State and Federal Labor Governments began to come to fruition in the mid 1980s. The Victorian Rock Foundation, The Push, then Ausmusic were formed in 1987-'88. They stood as counterpoints to my experience as a journalist in the global publicity machine. These initiatives seemed to offer an opportunity for access to Australian popular music, and a chance to participate in making music that had not previously existed. The ALP offered these possibilities in new and invigorating ways.

A cultural studies methodology searches widely for often contradictory and hidden meanings which can add to the 'repertoire of analytical techniques' and strategies (Turner 1993: 2). In this sense I have resorted to a number of strategies to collect and analyse material. In some aspects of the study of policy formulation and implementation I have used a 'behavioural process approach', which evaluates how individual and group behaviour, motivations, commitments and challenges inform policy activity (Nagel and Mills 1993). Such behaviour involves personal and political determination on the part of politicians, activists and others. It also involves detailed work by subsidiary agents or stakeholders, such as bureaucrats, who are given the task of comprehending the political intention and bringing the aims and objectives of the ALP to fruition.

The thesis does not, however, resile from official sources and analysis of them. I recognise that 'official discourses', as reflected in government funded and published documents, which may result from public inquiries, cannot be overlooked (Burton and Carlin 1979: 34-35). They are a window on the power relations of the
state apparatus, which includes the multitude of participants investing their interests in the result of that discourse. I have used official documents as a source in this thesis, while relying on a variety of documentation which enlivens the discourse between official and non-official information.

In searching for a way to analyse the policy initiatives of 1982-1996 I found institutional economics helpful for a number of reasons. It promotes an approach where quantitative and qualitative evaluations are encouraged to coexist, yet where a heightened suspicion of quantitative methods is encouraged, due to the failure of neo-classical economics to provide socially beneficial ideas worth fighting for.

I applied my journalistic skills using contacts in record companies to organise interviews and assist with the collection of data. I have used comments from music industry seminars and conferences, conversations with key individuals in record companies and press releases I would not have otherwise been aware of without my journalistic contacts. In some cases I used the pretence of an interview for some of the freelance work I undertook during the time I was researching this study, to collect relevant material. Indeed, such an approach was often necessary, in an environment where academics are unwelcomed and considered a threat to the music business. I found it to be a secret world of private dealings, often consciously isolated from public scrutiny by claims to legitimate contractual arrangement derived from the Copyright Act 1968.

The qualitative research involved formal interviews, informal conversations, a structured series of interviews undertaken as part of a research project for the Community Music Network and funded by the Australian Council, examination of government reports and submissions to music inquiries, attendance at music industry conferences and seminars and membership of government advisory panels and
boards. Some of the most instructive comments about the industry and policy initiatives were made as either off-the-record or informal asides. In some instances, it has been necessary not to source these comments directly to those making them and I beg the indulgence of readers, who believe that academic work is defined by closely referenced comments. However, the revealing commentary made in a private context must remain private, yet it should be admitted because it so powerfully undermined claims made in official informational collecting situations, such as recorded interviews and government documents. To reveal the sources of the comments would betray the trust of the people who made the comments, as they believed they would not be reported.

The quantitative research involved the examination of annual company returns, industry figures for official sales and turnover, together with information gathered during interviews and conferences and industry contacts. However, as I make clear at various times during the thesis, I have little confidence in the official data and the positivist reflexes they generate, while adding little if anything to the analytical process (Middleton 1990: 5). However, they do provide an indication of trends and market dimensions and have generally been accepted by governments.

These methodological activities have to be set against the fact that music industry personnel operate in what they call 'a fashion industry', where regular high volume turnover of sound recordings is the objective (Smellie Interview 1990). Marketing is everything. Analysis, especially critical analysis, is frowned upon and considered negative and not in the interests of good sales. During the decade and a half under review, about 90 per cent of the music consumed in Australia was popular music sourced from overseas, as the Prices Surveillance Authority's Inquiry Into the Prices of Sound Recordings noted (1990: 4, 51). Record company executives in Australia were not encouraged to think outside of the scope of those
figures and challenging the established approaches was acceptable, only if local stars could replace international ones with equivalent market share. 'Line managers' in the major record companies were and still are not very free to make independent decisions about their behaviour, they are responsible for delivering strong sales figures for global head offices (Rubin Interview). This sort of dependent relationship with foreign offices engenders a fetishistic approach to upbeat sales talk, to the detriment of national and local music making. A reluctance to criticise is hardly surprising.

A major consideration in approaching my methodology has been my concern to reflect the truth about the industry. Reforming social democratic governments face enormous political, practical and theoretical hurdles when they confront a well established global cultural industry, such as the established music business. This challenge to government has been a constant issue in researching and writing this thesis.
Section 2: Approaching popular music policy

Chapter 2

Institutional economics as a way forward
In this chapter I will review key texts produced by Thorstein Veblen and some of the material in the school of contemporary institutional economics, which acknowledges Veblen as its founder. In the following two chapters I will then examine the general industry and social policy activities of the ALP in Government Federally, especially during the 1980s, in the light of institutional economics. In particular, I will seek to establish key points from the literature to build my theoretical chapter, with which I conclude this part of the thesis. In this chapter, I will identify four elements drawn from Veblen's work which are appropriate for this study:

- the evolution of business activity;
- rational policy responses;
- culturalism;
- social provisioning.

In identifying these key elements I will indicate the ways in which Veblen's approach involved a commitment to a political economy which recognised the necessity to produce theories about the characteristics of change. Veblen made the point of the inquiry clear in *The Theory of Business Enterprise*.

The aim is a theory of such business enterprise in outline sufficiently full to show in what manner business methods and business principles, in conjunction with the mechanical industry, influence the modern cultural situation. (1958: 16)

Sociologist C. Wright Mills suggested that no single individual had left a 'better set of books written about American society' than Thorstein Veblen, who lived from 1857-1929 (1958: xi). This claim may now be open to
challenge, but it suggests the profound impact of Veblen on those who have read and appreciated his analysis. Veblen's work, continued Mills, is the most fruitful in the 'literature of American social protest' (1958: xiii). Veblen's writing is appropriate for an Australian political economy which seeks, in the cultural studies style of engaged critique (or social protest), to establish the nature of change in Australia and advance the social and economic benefits available to citizens of the country. This beneficial outcome will often be achieved against the flow of corporate, economic and social 'vested interests'. As such it may incorporate opposition to social, economic and political events, as part of a strategy of social protest.

The reason for adopting Veblen's work to this study is my acceptance of the argument that Australian economic and social life interacted more fully with the international economy within the globalisation ethic during the years under review. In doing so, elements of change in Australia in the 1980s came to replicate the American experience of capitalism which was the focus for Veblen's work (Hancock et al 1991: 341). The imperative of globalisation was an objective of ALP economic policy in the years being analysed, and an element in the specific considerations of popular music policy's place within Australia. In the process of 'globalising' Australia, the model of capitalist development produced by Veblen offers an analytical method for Australian political economy. As I will indicate later, institutional economics' recent gestation serves as a paradigmatic reference point for policy intervention and social democratic advancement in Australia where it has been almost entirely avoided, with the exception of Ted Wheelright's work in the 1970s such as Radical Political Economy (1974). It is apposite to provide this review of Veblen's work and influence as a means of introducing

1 'Vested interests' is a term Veblen used with characteristic, somewhat blunt precision. He defined it in Absentee Ownership as follows: 'A vested interest is a prescriptive right to get something for nothing' (1964: 49).
institutional economics to Australian political economy and cultural studies.

Thorstein Veblen's machine of industry

Veblen's best known work is The Theory of the Leisure Class first published in 1899. In it he developed a theory of human, social and economic development that incorporated systematic views of American society in the late nineteenth and early twentieth century. Lerner suggested that Veblen practiced 'radical positivism', which encapsulated Veblen's explanation of political economy (Lerner 1948: 24). Applying his approach to the historical development of social and economic progress, Veblen viewed civilisation as a series of habituated shifts constantly negotiated according to class, ethnicity, and the more problematic 'transmitted aptitudes' (1948: 146).

Veblen concentrated on the evolutionary and predictable nature of industrial life, which, due to population pressures would cause 'all the details of life to undergo a process of elaboration and selection' (1948: 91). The outcome of this process was, he believed, the predictable 'aptitude' of human beings for social and economic development which arose from habitual behaviour. He believed that capitalist society moved through the 'stage' and 'phase of economic growth', and in doing so drew on the Darwinian influences that helped explain the processes and possible cycles of human progress - a point which I will develop later (1948: 103, 108). He considered that the system of phased economic development would consolidate and furthermore, it could be scientifically observed. It has been remarked that his work relied on an implicit 'feedback loop' of relationships between the functioning operational elements of society (Thompson et al 1990: 202). It is this conceptual pattern of systematic relationships which refer to Veblen's theories of habitual development and industrial
activity which I will extend to develop a theory suitable for this thesis.²

Veblen's 'model' of capitalist evolution is a key to understanding how he extended the notion of aptitude into one of habits, as the organising principle of society, following the efforts of Charles Pierce and John Dewey (Waller 1988: 113). Veblen identified the stages of economic and social development in human civilisation from 'savagery, or barbarian' to 'predatory', to 'emulation' of ownership, which in turn produced a 'pecuniary' relationship to ownership (1948: 62-70). Ultimately, Veblen considered that all social life had progressed through the stage of individual ownership as a 'conventional right or equitable claim', to a more organised 'human institution' (1948: 72, 76). These institutions were not, however, separate from the habits and routines of life which formed the core of social relations.

In the organic complex of habits of thought which makes up the substance of an individual's conscious life the economic interests do not lie isolated and distinct from other interests (1948: 152).

Veblen's sense of the 'organic' network of relationships is bound up with his belief in evolutionary progress towards higher forms of economic control and organisation. Veblen believed it was possible to predict and criticise such advances using a 'teleology', based on established patterns of habitual behaviour (1948: 67).³ This is not to say that Veblen's 'teleology' involved a restricted or limited concept of the ultimate formation of society, where everyday life is habituated around a single reading of

² Baudrillard praised Veblen's 'relational variable structure' for its ability to 'illustrate how the production of a social classification is the fundamental law that arranges and subordinates all other logics, whether conscious, rational, ideological, moral, etc' (1981: 75-76). While this is an overstatement, typical of Baudrillard's theatrical engagement, it indicates the appeal of Veblen's approach for contemporary political economy.

³Veblen's emphasis on the everyday is instructive given contemporary interest in the ethnographic and the everyday: 'Gradually, as industrial activity further displaces predatory activity in the community's everyday life and in men's habits of thought, accumulated property more and more replaces trophies of predatory exploit as the conventional exponent of prepotence and success. With the growth of settled industry, therefore, the possession of wealth gains in relative importance and effectiveness as a customary basis of repute and esteem' (1948: 77).
habits. Rather, it is a teleology where an open ended, yet predictable and rationally conceived assortment of industrial organisations operates (Dugger 1984: 982). Importantly, it was 'open ended' because, as Veblen himself noted, his approach was 'unfamiliar' - in many ways it still is - bringing together 'economic theory' with 'ethnological generalisation' (1948: 53). Consequently, there was a common sense approach in his teleology that meant that he was reluctant to foreclose on the investigation, due to his ethnographic observations of human behaviour. This had an impact on his non-deterministic view of rationality, which was not limited by unanticipated evolutionary events.

Some critics of Veblen's have not appreciated the ethnographical escape route he constructed for his predictions. Reservations about Veblen's teleology include one response from C. Wright Mills, who believed that the intensified activities of the burgeoning middle classes since World War 2, and their access to wealth and 'technological abundance' meant that developmental habits were not as predictable, or rationally conceptualised as Veblen had assumed (1953: xiv). Accordingly, 'The terrible ambiguity of rationality in modern man and his society' was not foreseen by Veblen (Wright Mills 1953: xvii).

More recently however, the 'Veblenian Dichotomy' has been argued as a way of addressing this limitation. It suggests that Veblen's work offered a possible range of hypotheses that conceived of 'human behaviour as a process of cumulative adaptation to changing circumstances within the cultural context in which the behaviour takes place' (Waller 1982: 758). This 'dichotomy' has provided the basis for contemporary institutional economists and their analysis of evolutionary capitalism. Another reading, suggested that Veblen's notion of the human condition was highly influenced by Social Darwinism and an evolutionary theory which incorporated multiple and therefore dichotomous readings of social and economic progress.
(Dugger 1984: 972-973). Aspects of such evolutionary approaches have been common in a cultural theory stream of economic inquiry, promoted by institutional economists (Jackson 1993: 460). In particular, it has been a significant feature of analysis that resists neo-classical and conservative quantitative interpretations of capitalism as expressions of free-market economics, where misplaced concentration on rational decision making denies the multiple activities being undertaken by fallible human agents in dynamic circumstances. Institutional economics shares with Keynesian economics a quest for an understanding and sensitivity to 'conceivable reality', where the evolving environment in which economic constraints occur are one element of a total 'game', where dichotomies must be appreciated in order to complete real tasks (Hutton 1996: 247-256).  

The dichotomous reading of Veblen's Darwinian approach solves some of the problems generated by a teleology of habits, which is too deterministic. Human behaviour is multifarious yet habitual, not totally predictable, yet it exists within known limits. It is not, therefore, appropriate to jettison the concept of habits which are a key to Veblen's schema. 'Habits', suggested Hodgson, 'provide us with a means of retaining a pattern of behaviour without engaging in global rational calculations involving vast amounts of complex information' (1991: 179). Elsewhere, Hodgson noted that the concept of 'rational economic man' is a useful theoretical mechanism whereby it is possible to explain 'the real shifts in the economy and society, in particular the rise of capitalist institutions and an individualistic culture' (1991: 86). These two streams of explanation - the evolutionary and the rational

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4 Hutton's appeal to a contemporary version of John Maynard Keynes economics is set in the British context, yet relies heavily on concepts which are common to US institutional approaches. Hutton is particularly fond of game theory, as a logical method for analysing the relationship between information and transactions. Game theory, says Hutton, 'is an intellectual framework for examining what various parties to a decision should do given their possession of inadequate information and different objectives' (1996: 249). As with much of the reformist work seeking new approaches to economic and policy ineptitude in western democracies much of the work suffers from commonsense blindness which would be reduced if Veblen's concepts of evolutionary development were employed.
- fit together to signpost the building blocks in a Veblenesque approach to political economy.  

In this section I have outlined the immediate points of attraction in Veblen's best known work as a means of opening up the study of Australian music policy. In particular, the evolutionary paradigm of industrial development, undertaken according to habit forming rational processes, and presented in The Theory of the Leisure Class is appropriate as a theoretical construct which can be applied to Australian music policy. Similarly, the organic processes of social life which Veblen argued occur within capitalism, encourage an examination of the institutional behavioural formations taking place at national sites. At other points in his work, Veblen more precisely developed his theory of capitalist evolution which I will now consider.

**Veblen's articulation**

The Theory of the Leisure Class may be Veblen's best known work, but it is one of several. It is two later works, Absentee Ownership and Business Enterprise in Recent Times: The Case of America (1964, first published 1923), together with The Theory of Business Enterprise (1958, first published 1904), that help consolidate the task of building an appropriate political economy for contemporary Australia. They do this by elaborating on the notion of habitual processes of development.

In Absentee Ownership and Business Enterprise in Recent Times, Veblen provided a template for contemporary political economy, emphasising the systematic development of business culture. Descriptions of absentee ownership,

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5 Veblen's approach can be seen in Lefebvre's work, as reflected in his Everyday Life in the Modern World (1971). Lefebvre's observation that everyday life has become an object of social organisation rather than a subject, owes a great deal to Veblen. Lefebvre noted that rational control of social relations had created the Bureaucratic Society of Controlled Consumption through a) the limiting rational or bureaucratic processes; b) the obsession with organised consumption instead of production (1971: 60). He suggested that this social formation was founded on developments that overwhelmed everyday life.
the captains of industry, key industries, the development of the corporation and the nation are particularly relevant for contemporary Australia and this study. They provide insights into economic development and the points at which industrial formations and policy activity may coincide.

In *Absentee Ownership and Business Enterprise in Recent Times*, Veblen engaged in an incisive critique of 'a more close-knit system of interlocking industrial processes' (1964: 97). It was these interlocking processes, he claimed which were 'all unavoidably bound together in a single working system of industry, and they are now similarly bound up in a comprehensive system of business enterprise' (1964: 249). And this business enterprise could function effectively without links with the community from which it had developed. Thus, Absentee Ownership became the term Veblen used to describe the shift from practical or pragmatic industrial development, to business activity. 'The new order' upon which Absentee Ownership was based was 'a progressive change' based on 'a continued, cumulative, alteration of the range of industrial operations' (1964: 229). New financial credit systems building on the 'natural right' of 'free trade' made this possible, generating new arrangements where economic power was removed from the community in which business operated (1964: 48).

Moreover, it was the 'progressive and tentative' evolution of business and industry which suggested the need for constant reappraisal of economic and social progress (1964: 229).

...the new order of business procedure...has never reached the end of its development; nor indeed, is there any promise of its reaching anything like a final state of stability and finished growth in the calculable future... (1964: 229-230).

It is difficult to avoid referring to Veblen's work without resorting to repetitive use of the word 'system'. In
Veblen himself used the word as an expression of the relationships that exist within national and international capitalism. In what he calls 'industrial articulation', Veblen considered that the 'technical interdependence and mutual support' of economic life had been brought about by 'standardisation', to become the primary feature of contemporary life (1964: 247).

The whole constitutes a balanced system of work, a moving equilibrium of interlocking processes, in which the efficiency of any given part is conditioned on the due working of all the rest. No part of the system can do its share of work in isolation or severality, and any degree of failure or curtailment at any point, in rate, volume or quality of output, entails a degree of curtailment and inefficiency throughout the system. The dominant factor in this moving equilibrium of work, technologically speaking, is the manufacturing industry, and it is on the output of this industry that the efficiency of the industrial system converges (1964: 248).

Such evocative descriptions on which his theories turned, point to similarities in the earlier section about articulation theory in cultural studies, to which I will return. Veblen's system of evolutionary progress was largely defined by the changes taking place across the social and economic domains, described for example by Absentee Landlords. Some of which he had experienced first hand.

His childhood spent on his parents farm, produced in him a deep sense of respect for traditional social and economic relations, where goods were bought and sold according to traditionally established transaction rules of the market (Galbraith 1973: i-xii). Indeed, Veblen believed that it was 'the American farm population' that provided 'the incentives, the ideals, the law and custom and the knowledge and belief' which determined the nature of 'the community at large' (1964: 134). The intervention of the
business system and industrial concerns into this civilised rural world, where credit and absentee ownership began to dominate, provided Veblen with a sense of moral justice. His dissent from the prevailing movements of American society which produced an accumulation of business habits evolved from his view of the 'industrial arts': this 'new (business) order' was initiated by 'technicians', not the 'elder statesmen' of 'the traditional system of knowledge and belief' (1964: 207). Such statements have been criticised for reflecting a 'conservative' and naive belief in 'all-American values: the value of efficiency, of utility, of pragmatic simplicity' (Wright Mills 1953: xi). Yet as I will show, the emotional and moral force with which Veblen wrote and which is superficially easy to criticise, is what helps to maintain the tradition of institutional economics which he founded.

As I noted earlier, the dichotomous method to Veblen's approach reveals discursive strategies which combine as elements of the evolutionary process. For example, 'the industrial arts' he defined as 'tangible performance directed to work that is designed to be of material use to man', but were undermined by 'the art of business' (1964: 107). The latter were 'arts of bargaining, effrontery, salesmanship, make-believe, and are directed to the gain of business men at the cost of the community, at large and in detail. Neither tangible performance nor the common good is a business proposition' (1964: 107).

According to this developmental scenario, the dichotomy takes the form of either the predictable evolution of industry, based on the ability to standardise and manufacture products and the less savoury activity of business, with its preoccupation with individual aggrandisement of the 'salesman' through wealth accumulation (1964: 94). With the two sectors of development taking place on the same plane, Veblen described the pressures from business to challenge humanised social and economic benefits created by the
expansion of industry, through appropriate inventions of technology. This was the basis of his 'novel alternative theory of social change' (Street 1988: 446).

He saw and described with remarkable prescience the articulations that grew out of industrial development. In Absentee Ownership and Business Enterprise in Recent Times he commented on the behaviour of 'the federal authorities', which had become a 'Big Business Administration' (1964: 37). Such a term, 'is not a matter of reproach...quite the contrary... Always, night and day, the peculiar care of the administration is now and ever shall be the profitable activity of the nation's business concerns, more particularly the larger concerns with a large capitalisation and a substantial rate of earnings' (1964: 37). The way in which government and industry, at a particular point in the evolving political economy of a nation converge is an observation that is fundamental to the model on which this case study is based.

Veblen anticipated the inevitable development of the Corporation in this context as a series of shifts, moving from the localised, organic economy to industry to business to administration. For him, the evolution of the corporation marked it as 'the master institution' (1964: 89). As such, the corporation was a 'business concern, not an industrial unit' (1964: 83). Here the dichotomy was defined. The corporation could operate in a seamless international regime, he suggested, where 'endless' credit and industrial alliances made it possible for the system to sustain and extend itself (1964: 39). This led Veblen to a highly charged description of imperialism.

Imperialism is dynastic politics under a new name, carried on for the benefit of absentee owners instead of absentee princes; by so far as regards its bearing on the material fortunes of the underlying community it all comes to the same thing. All the civilised nations are beset with imperialistic ambitions, and so far as their limitations will permit them they are all occupied with imperialistic
schemes; that is to say schemes for the benefit of their vested business interests, masked as schemes for the aggrandisement of the nation (1964: 35).

He linked national interests with the business interests, suggesting that there was 'a growing need of such national aids to business' (1964: 35). There was also, said Veblen, a concomitant loss of national frontiers which allowed Absentee Owners to negotiate optimum business arrangements, with the support of the authorities who recognised the need for competitive business that acted in the nation's interests (1954: 6). Roving across the issue of the relationship between the nation, the community and the legal rights of businesses self interest, Veblen arrived at the following conclusion:

At any juncture where a discrepancy arises between law and common sense it is incumbent on the constituted authorities to take precautionary measures and guard the provisions of law against inroads of common sense. Under the circumstances, therefore, it has become the prime and particular duty of the constituted authorities to safeguard the rights, powers, and immunities of absentee ownership, at any cost to the underlying population (1964: 432)

As I noted above, the ability of his scheme to develop a dynamic mobility which recognises these linkages, is highly appealing in the 1990s national policy context. It is possible, when reflecting on the above comment, to sense a deep pessimism. However, it should not be assumed as the operating logic of the system. Rather, Veblen's description can be better characterised as the pragmatic observations of an engaged critic. In so doing, Veblen clearly conceived of the way in which the corporation or big business dominated the nation and life within it.

Veblen identified the corporation as the institution which drove the linkages between the nation and the business interests. It was clear to Veblen that what he termed Big Business, 'dictates what is to be done or left undone' (1964: 217). Social and cultural life were 'sentimental', when viewed from this perspective (196: 217). Big Business,
said Veblen, 'moves on that particular plane of make believe on which the net gain in money-values is a more convincing reality than productive work or human livelihood' (1964: 217). The 'key industries' determined what happened in a nation, as they engaged in 'active collusion or by routine' (1964:238). Adding to his critique, Veblen maintained that industry and its Captains used 'Sabotage' to produce the financial benefits they wanted from industry (1964: 218). The corporation, as perceived by Veblen, was a pernicious, yet necessary agent in the evolutionary progress of capitalism.

Despite my earlier comments about Veblen's pragmatism, there were times when he was palpably outraged at the evolution of US capitalism. Certainly his pessimism at the impending domination of life by the business enterprise led him to a dismal observation of national policy. He believed that business interests caused national interests to run 'at cross purposes', thereby obstructing the 'due articulation of industrial undertakings and so act to derange and curtail the work in hand' (1964: 250). The outcome of this situation was that 'national policies are chiefly occupied with the competitive cross purposes of vested interests' (1964: 250). Veblen's teleology led him to a sort of economic fatalism about evolutionary developments, perhaps blinding him to the need to offer more prescriptive analysis of policy interventions. This came at later points in his work.

**Systematic linkages**

Veblen's view of the systematic linkage of the business, industrial, cultural and policy sectors in society was redefined in *The Theory of Business Enterprise*. He introduced and used the term 'concatenation', which means 'unified', 'flowing together', to describe the

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6 Veblen drew on the experience of *Capital* during World War 1 and their withdrawal of industry from productive work in order to fight the war, for this analysis. However, his view of sabotage may be effectively reinterpreted if an examination of supply side economics is undertaken, which, as he hinted, frequently overproduces for reasons that are based on industrial (il)logic, rather than to meet community needs (1964: 218).
interactions. In this study he reworked many of the ideas from *Absentee Ownership and Business Enterprise in Recent Times*, while emphasising the theory that it was 'the machine process' that drove capitalist evolution. Here, the business enterprise developed 'business methods and principles' in a mechanical way, forming 'conjunctions' which 'influence the modern cultural situation' (1958: 16). It is at these points that Veblen's work is relevant to the contemporary cultural studies use of articulation, presented in chapters 3 and 10.

Veblen's view in *The Theory of the Business Enterprise* was that the machine process and the burgeoning of business interests would ultimately lead to the loss of traditional humane values evolving out of organic relationships in defined communities. He maintained a strong belief in the pervasive power of the 'machine industry' which was characterised as 'materialistic, unmoral, unpatriotic, undevout' (1958: 176). Opposition to the machine culture would weaken, except in rare circumstances, where 'some other cultural factor, alien to the machine discipline comes to inhibit its spread and keep its disintegrating influence within bounds' (1958: 176). This reference to intuition meant that human beings would find a sense of purpose amidst the process of business. This was the culture Veblen preferred. The reaction to the machine process would be 'social unrest' and a 'corrective' could not be offered by 'a strenuous national policy' (1958: 186).

Instead, Veblen envisaged 'a predatory national policy' (1958: 188). Such policy would lead to either 'a decline of business enterprise itself', or the return 'to a regime of status, fealty, prerogative and arbitrary command', which 'would guide the institutional growth back into the archaic conventional ways and give the cultural structure something of that secure dignity and stability which it had before' (1958: 188-189). Veblen argued that an 'aggressive politics' would confront the machinery of the business
enterprise in a struggle where traditional or organic culture and the business process would struggle to co-exist (1958: 189). His preference was for an optimistic regime of 'natural rights' which was a form of socialism (Stabile 1988: 215, 1958: 189). Another writer has suggested that Veblen's work was about 'idealised social visions' which is some cases were worked out by institutional economists working in the US during the years of the New Deal (Gray 1981: 107). In summary, rational policy responses that moved across the dichotomous evolutionary developments were conceivable, but would always be undertaken against the pressure of the machine process of industry and business. Importantly, Veblen conceived of a means of incorporating the dichotomies into an entire system of relationships, known as culturalism.

**Culturalism**

Veblen's appeals to organic social and economic life and its conjunction with business within the machine process, incorporated a quest to promote national policies that would recognise the pre-existing legitimacy of culture. The industry-policy-culture nexus is drawn from national interests which are organic and humane. Within the recent history of institutional economics it has been termed culturalism. This configuration within the evolutionary process recognises that policy works in a dichotomous, organic manner within a national framework. Here, culture is systematically linked with the industrial, economic and business framework.

What institutionalists have been emphasising is that culture governs all ... in the sense that a culture defines the permissible and the forbidden, defines right and wrong, the admirable and its opposite, gives content to these...

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7 I will take up this issue at various points throughout the thesis. However, by way of example, it is difficult to avoid the intense rendering of a culturalist position put by the artist Jonathan Lasker, who suggested in the boom years of the late 1980s that: 'The hyperreality of the culture is parallel to an economy that is basically running on hot air, period and on bogus manipulation. I don't think it is accidental that the culture is running parallel to that trajectory. ...The irrationality of contemporary culture is supported by and in complicity with the irreality of a bankrupt economy. A bankrupt, but superficially affluent, economy.' (cited in Craine and Moos 1991: 97).
definitions with rules for behaviour, and so provides opportunities as well as limits. A culture is collective action, a collective legacy of patterns of action (Neale 1987: 1179).

Recognising the mutually inclusive elements of the entire system, culturalism seeks to identify the appropriate trajectories along which policy operates within the system. This is the position that Veblen's evolution leads towards. It sits within what Gruchy called the paradigmatic approach, which he described as 'a basic framework of (interpretation) ...which takes the economic system to be an evolving, developing process' (1990: 362). The paradigmatic approach's 'distinguishing characteristic is its high theoretical and substantial level' (Gruchy 1990: 363). Culturalism proposes a theory of change that can be tested in the context of the conditions prevailing in Australia, where rules of social and economic behaviour are applied that are formulated according to established social expectations. Yet the culturalism of institutional economics involves an abstract formulation of a process. In the theory chapter I present such an approach as the music policy formulation theory.

My use of culturalism is invoked fully conscious of the history of the term within cultural studies, the criticism of its 'romantic' appeal to the 'celebration of popular culture as expressing the authentic interests and values of subordinate social groups and classes': as well as its place within popular music studies (Bennett 1986: xi, and eg. Hall 1981, 1986, Garofalo 1987, Middleton 1990, Shuker 1994: 26-28). However, my paradigm recognises the processual framework, where neither industry or culture achieves dominance in their relationship. As I shall note at numerous points during this study, an evolutionary approach to industrial developments makes it possible to recognise that a system of relationships and their articulations are at play in the popular music policy context. This avoids claims that one side of the industry-culture-policy relationship is superior (Garofalo 1987: 40).
At another level, the culturalism of institutional economics addresses suggestions that cultural studies has at various times, attempted 'a renewed culturalism' in its quest for analysing cultural formations (During 1993: 7).

**John Commons**

John Commons is seen by some people as another of the founders of institutional economics (Gruchy 1990: 362). In his 1924 book *Legal Foundations of Capitalism*, he developed an elaborate, yet pragmatic theory of the transaction, using the historical and evolutionary methods common to Veblen and the institutionalists. He emphasised the way in which 'transactions flow one into another over a period of time, and this flow is a process' (1968: 8).

Equally significant for the purposes of this thesis, Commons identified the 'working rules' of transaction that bound and restricted public and individual rights in their relationship with the business economy and the manner in which those rights were negotiated in the courts and by the incremental reach of governments and their agents (1968: 384).

He pursued a behaviouristic political economy that was bold and uncompromising, demanding ethics in business. His behaviourist perspective identified the breadth over which the working rules of society had to traverse - the law, ethics and economics merged with utility, sympathy and duty which facilitated unproductive monopolies (1968: 387). Like Veblen, his critique was of the emerging business practices of the late nineteenth century. Unlike Veblen, Commons opted for an argument favouring 'institutional reforms', rather than the 'materialist radicalism' of Veblen (Gray 1981: 109).

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8Commons's final broadside in *Legal Foundations of Capitalism* is telling: 'a behaviouristic definition of political economy... might be formulated as follows... the proportioning, by means of the working rules of going concerns, of persuasive, coercive, corrupt, misleading, deceptive and violent inducements and their opposites, to willing, unwilling and indifferent persons, in a world of scarcity and mechanical forms, for purposes which the public and private participants deem to be, at the time, probably conducive to private, public or world benefit' (1968: 388).
Commons's examination of the working rules of the foundations of capitalism, with their links to powerful vested interests, established a contemporary strategy. This approach encouraged analysis of the evolution of the working rules of culturalism's reading of institutionalism, by extending Veblen's notion of habituated behaviour within the mechanical industrial apparatus of capitalism. In exploring and exposing the working rules which governments, industries and policy makers seek to formalise, the institutionalist's investigation of political economy can be employed in the contemporary context. Furthermore, it assists in identifying the dilemmas arising from the confrontation of organic culture with mechanical industry.

**Contemporary institutionalists**

Recent developments in institutional economics are generally traced directly to the ideas promulgated by Veblen and to a lesser extent Commons. In this section I want to identify some of the emphases that have currency for the Australian context. Firstly, I will reiterate and expand on the dimensions of culturalism. The second area is the theory of the firm, including concepts of regulation and power. Thirdly, concepts of social provisioning and its relation to democratic planning. In later chapters of the thesis I will take up these points as themes of the case study.

Culturalism, as I have noted, describes the relationship between the evolutionary progress of capitalism and the associated culture that grows alongside and within that system. Culturalism has been described as 'a theory of social change', and has been proposed as a principal theme of institutional economics which is implicitly aligned with 'an activist orientation towards social institutions' (Samuels 1987: 865). It incorporates an approach based on an engagement with social and political life.

We try to solve problems. We do not play with mathematical puzzles, and we rock the boat. It is our nature, it is
inherent in institutional economics. We cannot help ourselves. We cannot stay away from social problems. They exert an irresistible attraction to institutionalists, continually drawing us away from academic niceties and into controversies and relevance (William Dugger 1988: 985)

I want to suggest that such an engaged approach to change can open up areas for popular music policy research, as attempts to examine industry must be undertaken in the light of engagement with cultural and social life and associated public outcomes.

A major component of any theory of change is economic activity's influence on culture, which need not be seen as determinist. Rather, the relationship is better reflected by the concept of semi-autonomy. This suggests that the economy does not dominate social life, it is in a necessary relationship, as part of the systemic process of culturalism, the culture of capitalism. Edward Said has suggested that the task 'is not to separate but to connect' the hybrid, mixed, impure' cultural forms with the 'analysis of their actuality' (1994: 15). The examination of the development of evolutionary capitalism should attempt to construct that evolution in a national space using policy as a manifestation of actual cultural history.

One of the foremost US practitioners of institutionalist economics, Allan G. Gruchy summarised culturalism in a speech in 1981, which recognised the continuing, processual movement within the system.

What the institutionalists from Veblen on have taken from the cultural anthropologists includes an historical and empirical approach to economic analysis, a view of culture as an evolving complex of institutions some of which are socially serviceable while others are disserviceable, an awareness of human behaviour as a cultural product and of the major role of habit in this behaviour, an understanding

9 The close relationship between Marx's historical materialism and Veblen in this developmental view has been well documented and will be taken up later in this thesis. Street 1988: 446, Hodgson 1991: 78-89.
of the conflicts in personal behaviour and cultural activities, and an appreciation of the roles of scientific advance and technological change as factors in cultural evolution (cited in Street 1988: 447).

Underlying this assessment is a sense of the 'concatenation of processes', which Veblen used to conceptualise the conjunctions of industrial evolution (1958: 18). In Gruchy's interpretation, a range of cultural activities and agents have articulated themselves to economic and institutional concerns. They are the 'tools' of analysis used as part of the Veblenian tradition (Stevenson 1988: 73, Street 1988: 446). To return to my earlier point, the epistemology of production stems from the recognition that 'Production systems are systems of culture', which needs to be appreciated as the object of analysis (Stevenson 1988: 71).

In contemporary capitalism, a theory of social change needs to include the corporation as a key agent in the epistemology of production. Veblen identified the corporation as the object around which key industries consolidated and which is defined by exclusive business interests which operate to the detriment of the organic culture of society. Discourse about the corporation has developed into a field of research known as 'theory of the firm'.

The best known advocate of the theory of the firm in institutional economics is Oliver Williamson, who has extended John Commons's contribution with an interdisciplinary investigation that draws on economics and sociology to indicate how the firm functions as a series of cost optimising transactions (Williamson 1988). Transaction cost economics draws on arguments that focus on 'bounded rationality' - a term that attempts to delimit discussion of the rational decision making that takes place within the organisational structures of the firm in its quest for efficiency (Williamson 1986: 171, 173). It also includes
'discriminating governance structures' within firms, which describes the 'opportunism' and rule structures which human agents pursue in their behaviour (Williamson 1986: 172, 175). This behavioural organisational approach to the theory of the firm can assist with finding an answer to the question: 'Why economic institutions have emerged the way they did and not otherwise' (Arrow, quoted in Williamson 1990: 3). Policy initiatives can usefully be included as part of this emergence of institutions.

The theory of the firm is a controversial concept for debate among institutional economists (Gustafsson 1990: viii, Medema 1992). For example, William Dugger suggested that Williamson's emphasis on 'optimum' behaviour is antipathetic to institutional economics (1990: 424). Dugger believes that an emphasis on the affectivity of transaction - or instrumentalism - in a firm's behaviour is not in keeping with a Veblenian dichotomous approach to institutional economics (Dugger 1990: 428). Instead, an emphasis on a system of institutions with the ability to determine the cultural and social fabric of a society, fits more closely with the style of institutional economics preferred here (Medema 1992: 314). I agree with Dugger, but find his rejection of Williamson overstated, in that it is necessary to recognise the internal processes of the firm to develop a full understanding of the links between the firm's productive behaviour, its culture and the effects on cultural life at national sites, together with rational efforts at constructing creative and responsive policies. Knowledge about the firm contributes to a systematic mapping of the terrain in which policy operates, given the fundamental place of the corporation as a controlling agent in national economies as well as policy's function as an organising feature of the business arrangements within the evolving economy (Vickers, Waterson 1991: 445).

Such optimism for rational policy strategies needs to be placed against Veblen's acknowledgment that 'Business Administration', works 'to safeguard and enlarge the
special advantages of the country's absentee owners' (1964: 37). Contemporary institutionalists have opted for a range of theories and tools in an attempt to counterbalance the implicit pessimism of Veblen's reading of absentee owners and corporations. For example, arguments explaining how regulation operates as a policy vehicle to generate a political economy that is beneficial to the majority of citizens, have become a feature of recent institutional economics (Klein 1987). These arguments challenge the free-market rationale of neo-classical economics which fails to recognise how policy can express the broad aspirations of a nation's citizens.

Given this reading of regulation, it is not surprising that the concern with concepts of power within institutionalism have been considerable (Tool 1987: 964). The concept of power as used in institutional economics is not one based on either Marxist notions of Hegelian idealism, where contradictory forces are manifest in the historical materialist evolution to find their ultimate realisation in a class revolt. Nor is the institutionalist concept of power explicitly conscious of, nor concerned with, class issues, neither with individual power relations. Instead, it restricts itself to examining the operations of institutions in the process of their developing relationships with each other, stressing 'linkages between organisations, behaviour and the exercise of power' (Trebing 1987: 1731). Another definition notes that power is the ability of vested interests to 'influence the way the economy operates to carry out the tasks assigned to it' (Klein 1987: 1343). This shorthand description of the institutionalist concept of power indicates how the 'project' of institutional economics collapses a

10 Various explanations of the deficiencies of conventional, or non-critical and neo-classical economics have been proposed by institutional economists. Heilbroner proposed the following shortcomings:
1) failure of a consistent or integrated model of the economic system
2) failure of unified theoretical framework capable of explaining both macro and micro behaviour
3) absence of an adequate theory of the major agent of contemporary capitalism - the firm
4) inadequacy of 'prime constructs of economic thought' eg. 'capital', 'welfare', 'gross national product' (Heilbroner 1980: 491).
behaviourist view into an economic view of power within institutions. It suggests that regulation of institutions as a policy vehicle be examined in relation to their evolutionary development within the business economy.

The relationship between regulation and power is the conjunction at which policy serves its purpose. The pragmatic view of evolutionary capitalism recognises the space in which policy usefully intervenes to improve the public benefit stemming from institutional (especially corporate) life. The necessity of policy to 'organise and regulate' capitalism has been referred to as 'The impurity principle' (Hodgson 1984: 85). This view recognises that rather than engaging in a quest which involves a denial of the existence of institutions and their place at the pinnacle of capitalist society, 'the impurity principle' acknowledges and recognises their inevitability and the need to police their activities, using the available democratic tools.

The question then becomes how to generate policies that recognise the systemic relationships between institutions. Trebing has noted that a science of 'democratic planning' is at the heart of the Veblenian tradition of institutional economics (1993: 40, 57). Such science involves recognition of the process of evolutionary development of economic and social life, the culture that grows with it and appropriate, rational systematisation of that development (Hodgson: 1988: 15). 'Democratic planning' is the instrument used for conceptualising the preferred tools for organising the processes within that system. 'Democratic planning' projects a model of a heterogeneous society, where political issues are considered in relation to a 'pluralist democracy', where the outcomes of decision making will represent the best possible solutions for the greatest number of citizens (Hodgson 1984: 155). It 'addresses public purposes, is processual, inclusive, iterative, participatory, long-run, non-hierarchical, accountable and is fuelled by open inquiry' (Tool 1988:
12). Within democratic planning, regulation and power are tools whereby the organic social interests of society are incorporated into the business process.

Generally, institutional economists working in the culturalism domain have attempted to reconceptualise their work around a term proposed by Gruchy in *The Reconstruction of Economics: An Analysis of the Fundamentals of Institutional Economics* (1987). Gruchy argued that institutional economists 'define economics as the science of social provisioning' (Dugger 1988b: 983). This is 'a set of social processes', 'involving physical and financial flows, the industrial and pecuniary dimensions of a continually changing culture' (Dugger 1988b: 983). Elsewhere, institutional economics has been defined as 'a process of human provisioning': 'the study of the relationships between changing technology and a set of changing institutions embedded in a culture and involving broad webs of interaction' (Petr 1988: 29). Lerner suggested that Veblen viewed economics as a 'science of collective welfare' (1948: 30). Whether a science of human or social provisioning, the need to recognise and meet human needs can be placed at the leading edge of a 'processual paradigm, emphasising social process' for the collective good (Dugger 1988b: 983). The relationship between this concept and democratic planning occurs at the point at which it attempts to meet the maximum number of society's human needs, beginning with culturalism's priorities.

The final point to be made is that American institutionalists have characterised their work within the tradition of critical theory. They suggest that this tradition is encapsulated by the phrase 'what is and what ought', which is part of the tradition of the 'idealised social visions', established by Veblen, and mentioned earlier (Petr 1988: 47, Gray 1981: 107). This phrase enables preferred political economic models to be proposed which produce the public benefits institutional economics
argues for. I believe that this is a constructive way of encapsulating the politics of institutional economics with culturalism and the objective of social provisioning. It is especially helpful in generating a forward thinking perspective for policy research.

Finally, a different, non-American stream of institutionalist economics needs to be recognised. I want to concentrate on the contribution of one academic who best represents a European sensibility. Geoff Hodgson provides a view that has emphasised parliamentary representation as a means of advancing the project of democratic planning. His British and European influences stemming from Marxist, Keynesian and classical readings of economic theory as observed in the historical developments of British politics and policy, provides a counterpoint to some of the highly moralising US writing. Hodgson works towards a political economy that generates 'a theory of socio-economic systems as a whole' (1984: 3, 1988: 15). The tradition of an engaged and active left that has been in government and is searching for new theories and approaches to actual policy (as observed in the British Labour Party and social democratic party's in France, Germany, Scandinavia and Italy) is a stream of institutional economics that is at odds with some of the sadly marginalised writings that have emanated from the US.

Hodgson suggests that institutional economics should employ a 'holistic system', which involves 'a loose imperative that social and economic theory should be broadened to embrace all relevant variables and elements' (1988: 17). Furthermore, Hodgson suggests that the institutionalist project could be advanced by 'a synthesis' of approaches to political economy. This approach draws on theories and proposals from traditions such as Marxism, Keynesian economics, post-modernity and organisational theory. In this study, this sort of synthesis will be developed to find a suitable institutional economics for Australia.
In the above review of institutional economics literature I have sought to show how culturalism can be used as a key conceptual tool in interpreting the evolutionary development of capitalism. By establishing rational plans within the dichotomous, yet mutually inclusive domain of industry and culture in evolutionary movement, the organic interests of the community could be adjusted to meet economic and social needs. Where necessary, key institutions would be established through policies to generate social provisioning for collective welfare. By placing key components of institutional economics in the foreground - evolutionary capitalism, policy rationality, culturalism and social provisioning - the examination of popular music policy can draw on a deeply engaged tradition. In the next two chapters I will develop the material in this chapter to indicate the ways in which social and industrial policy approaches in Australia in recent years have shifted. I will then conclude with a chapter that brings these discussions into alignment in the popular music policy formulation theory.

Horace M. Gray, has noted that 'most institutional economists devoted a large portion of their time to reform efforts, to protecting the public interest against aggression by private monopolists and to administration of the regulatory system' (1981: 99). Gray went on to acknowledge that institutional economists were often excluded from the policy process because of their concern for process and rational planning (1981: 104).
Chapter 3

Social policy vision

Contemporary institutional economists have used Veblen as a starting point in identifying a stream of visionary conceptualising within economic thought and theory stretching from Schumpeter and Marx to Mill. Indeed, John Kenneth Galbraith said that Veblen's best known work, *The Theory of the Leisure Class* was 'a product of the frontier' (1973: vi). The frontier, Galbraith suggested, is that space where a society is formed, where new rules governing social and economic alliances and behaviour are made and assimilated into the community in a complex interchange. It is possible to see Veblen's conceptual framework stemming from his 'experiential base' in the late nineteenth century frontier of the mid-west USA, where, as noted previously, farmer-settler immigrants, like Veblen's parents, with their Protestant work ethic and free-enterprise ambitions within an organic community, determined the prevailing political economy (Dobriansky 1957: 7). It was from this formative frontier environment that Veblen's 'forward looking' approach developed (Dobriansky 1957: 7).

In this chapter I will introduce what Heilbroner has referred to within this tradition as 'the valorisation of vision', which makes explicit the nature of economic analysis in terms that reflect the hoped-for social provisioning of a rational approach to policy creation and implementation (1993: 93). I will indicate how it is possible to conceive of popular music policy as a visionary tool within the ideology of the social policy objectives of the ALP. In doing so, it is important to identify the ideological nature of 'vision' and its relationship to the core concept of economics: 'vision establishes both the historical placement of existing society, and the imaginable possibilities for its successors. These have long been the grand objects of economic inquiry' (Heilbroner 1993: 94). Social policy can
be seen as one of the building blocks in the imagined vision, where a frontier mentality to policy initiatives can be shown to operate in the political economy process. As the process of historical development unfolds, Australian society has been part of this process, building policy out of the visionary relationship between social policy and economic ambition.

In general, the 'opening up' of a forward looking Australian social and economic life through policy activity, undertaken by Labor governments in the 1980s and 1990s, incorporated elements of this frontier mentality. That is, the political economy of Australia during these years was precisely about a conceptualisation of a society in the making, where new rules governing social and economic alliances and behaviour were being created and assimilated into the community. It was a Labor Party tradition, encapsulated in former Prime Minister Gough Whitlam's comment: 'Reformism is basically optimistic' (cited in Roper, 1993: 185). Reformist policy was strongly linked with rhetoric, and the call for structural change during the years 1983-1991 of the Hawke Prime Ministership, followed by Paul Keating's tenure from 1991-1996.¹ For example, the view from the Fabian Left of Labor:

The two overwhelming tasks of the federal government over the last decade have been: first, to adjust public policy to the dramatic constraints of an economic structure with a growing inability to sustain its own development, and second to transform that economic structure into that of an outward looking competitive economy (Burchell and Mathews 1991: 4).

For its part, rhetoric cannot be denied as an implied policy tool that has its place in a political strategy (Weimer and Vining 1992: 323-325). Yet it is also an

¹ In contrast, evidence presented by Hart, for example, suggested a consistency in the structure of production during these years, rather than a period of dramatic structural change (1992). This suggests that it is important to comprehend the entire spectrum of forces at work in the policy process.
intangible, operating outside quantifiable processes of evaluation, while influencing public perceptions and signalling policy intentions or ambitions that rely on figurative, emotive and analogous language for success (Hobsbawm 1989: 175). Rhetorical 'pictures' of frontier behaviour are well suited to the visionary approach to policy. I will provide a clearer indication of this in the case study.

The metaphor of the frontier is helpful in appreciating popular music in general. This point has been theorised by Attali, who argued that a political economy of music generally is prophetic. (If his study can be specified for popular music, it has considerably more cogency.)

Music is prophecy. Its styles and economic organisation are ahead of the rest of society because it explores, much faster than material reality can, the entire range of possibilities in a given code. It makes audible the new work that will gradually become visible, that will impose itself and regulate the order of things; it is not only the image of things, but the transcendence of the everyday, the herald of the future. For this reason musicians, even when officially recognised are dangerous, disturbing and subversive; for this reason it is impossible to separate their history from that of repression and surveillance (1985: 11).

This is a bold statement, and as Attali himself recognised, the sort of statement that reflects his 'theoretical undiscipline' (1985: 5). Yet he believes that such an approach to the study of society will work effectively to reveal the true workings - the political economy - of the contemporary world.

The commodification indicator
As I will show in detail in the later theoretical chapter, a Marxist reading of commodification, introduced here as an unrecognised feature of the contemporary institutional economics processual paradigm, is fundamental to an
understanding of how capitalism constructs its frontiers. The commodity, as outlined by Marx in Capital, especially Volume One, is premised on a materialist notion of evolutionary industrial developments. Commodity formation is a strangely unmentioned element in Veblen's theoretical explanation of the evolutionary process, while it is also absent from contemporary institutional economics. Culturalism as presented here, acknowledges commodification as the *prima facie* constituent at work in the business enterprise, generating contradictions and opportunities as the business enterprise and its policy mechanisms intersect with the cultural sector of artists and musicians.

Specifically, the historical development of popular music as a business has seen it take on the characteristics of an industry, where music is produced as a commodity (Chappel and Garofalo 1977, Frith 1987, Goodwin 1993, Shuker 1994). This development has closely followed the introduction of new technologies which have served to promote both private and mass music consumption, via recordings and broadcast media (Vogel 1990: 131-132, Guldberg 1987). The manner in which music as a cultural practice has been transformed into a product for exchange in the market, or a commodity, is the detailed background to this discussion of policy formulation and will be further explored in the theoretical chapter.

An appropriate political economy of popular music policy recognises that the commodification of music is the theoretical tool that draws together evolutionary institutional economics with Marxism's concept of industrial and social change in the material world (Mills 1953: vii, Street 1988: 446-447). In some instances, this nexus of the industrial with the institutional has been termed 'pluralistic industrialism', where policy serves the purpose of facilitating the alignment of the extremes of 'total state control' and 'unremitting laissez faire' (Wedderburn cited in Mishra 1977: 42). To put the case
more precisely, the commodity form is the basis of the economic relationship within the capitalist enterprise, which requires regulation by state sanctioned controls. As Australia's economy was internationalised in the 1980s, cultural industries became incorporated under the rubric of 'service industries', with the expectation that they would enter into potentially tradeable global exchange value relationships. Similarly, as the Australian Council of Trade Unions (ACTU) Industry Development Committee pointed out in 1990: 'We have persistently argued for positive measures directed to promoting import replacement and more importantly for export development in high value added, wealth creating industries' (Carmichael 1990:2). Following Marx's theory of the commodity form as the foundation of capitalism, popular music became caught up in a form of state sponsored commodification, as the national economy was organised according to a globalisation ethos of regulation and supportive industry development control and associated mechanisms. Pressure from policy advice organisations, such as the ACTU, and Austrade, played a role in encouraging the repositioning of popular music as one of the high value added activities, as I will indicate in the case study. Yet the industrial organisation of global economic relations was changing, introducing 'global networks of company operations' characterised by markets that appeared to be interrelated and interdependent (Stanford 1989: vii). As I will show in the chapter on community music, globalisation may be perceived as the logical conclusion to commodification, where the organisational structures of

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2 Legislation controlling the Export Market Development Grants Scheme was changed in 1984 to allow claims for videos to be made and popular music promotion to benefit. As the 1989 Austrade brochure 'An Outline of the EMDG' put it: 'The EMDG Scheme aims to encourage Australian exporters to seek out and develop overseas markets for goods, specified services, industrial property rights and know-how which are substantially of Australian origin'.

3 The report also noted the task for industry development of 'increasing the share of Australia's export income coming from both elaborately transferred manufactures and simply transformed manufactures' (Carmichael 1990: 3).

4 Ferguson's article 'Some Myths about Globalization' (1992) provides a clear perspective on the range of issues that have been incorporated into the rhetoric of globalization.
corporations are an extension of the process of regulation and control.

In tandem with the pressure to globalise the economy, was the elaboration of national policies, in general aimed at the creation of independent national institutions as part of 'the process of nation building' within the globalisation imperative (Turner 1993: 67). I am defining these national policies as primarily social policies, meaning, a set of activities aimed at the maintenance and extension of 'national consciousness', which is just one of a number of readings of what has been described as a 'nationalist discourse' (Fanon 1967: 199, Turner 1989: 3). Fanon suggested 'national consciousness' to distinguish it from 'nationalism', which he saw as a reactionary tool used to alienate the nation-state from its global relations - a point which has been vigorously debated, especially by critics working from the Marxist-internationalist tradition (see for example, Milner 1987). The distinction between 'nationalism' and 'national consciousness' is useful in the Australian context, where the globalisation-national policy dualism (characterised as the 'double face' of international and local television programming by O'Regan, 1993: 59-79) in place by the late 1980s was used to generate a self-conscious post-colonial frontier. Here, post-colonial refers to the 'greater continuities' between the previous (or parental-dependent) arrangements of the colony and the assertion of independence (or adulthood) (Mishra and Hodge 1993: 43). Rather than an isolationist nationalism, national consciousness grew from the recognition of the relationship between the frontier of the national reform

^ Robertson has suggested the term 'glocalisation' as a means of accommodating the 'borderless world' of globalisation (in contemporary communications, in particular) and the simultaneous 'consolidation of the nation state' (1994: 48). Robertson contends that this is a 'complex problem' producing a "contradiction" or a "paradox" (1994: 48). This is not a position that can be maintained. The rationality of national policies operating across multiple sites - the global and national - need not be conceived as antagonistic. Indeed, from the policy perspective being argued here, they are complimentary.

^ I am defining social policy as the primary set of national objectives, of which cultural policy is a subset.
policies of government and the way in which those issues were expressed in the context of a set of negotiated global policy concerns.

Another way of conceptualising the post-colonial globalisation-national policy project has been proposed by Burchell and Mathews, who suggested that unpopular national policy decisions, such as the floating of the Australian dollar or deregulation of banking and the economy in general, brought about by globalisation pressures, were necessary to stem Australia's growing economic crisis: they termed this 'supra-political national altruism' (1991: 3). This concept of supra-national altruism evokes a visionary approach aimed at building new rules for the establishment of stronger or new institutions, operating outside closely defined national policy domains. According to this scenario, the Australian public were expected to altruistically share in a rhetorically constructed image of an economically enhanced and socially advancing nation, which was not regulated or controlled by national policy makers.

Recognition of the continuities between the post-colonial policy intention and the colonial dependent policy framework involves an appreciation of the broad scope of options that are available, from which policies are chosen. This, in turn involves a series of judgements that oscillates between a 'social welfare function' and 'institutional utilitarianism' (Weimar and Vining 1992: 94). The principle of rationality for the purposes of choices in policy making is important, drawing as it does on Karl Popper's notion of a conscious, consistent action with a stated aim or purpose (Booth 1988: 4). By seeing rationality as an element of a forward looking strategy, it is linked to the frontier or visionary concepts

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7 Weimer and Vining define these parameters of policy as follows. The social welfare function 'aggregates the utilities of the individual members of the society', according to assumed forms of market efficiency, while institutional utilitarianism 'asks what sort of political and economic institutions should be selected to advance social welfare' (1992: 94-95).
outlined above. However, it is not proposed without recognising the limiting assumptions underlying rationality, which in practical terms, undermine an unrealistically optimistic belief in 'rational economic man', which I discussed earlier.

Similarly, the 'rules' governing institutional and social behaviour are often systematised - as Veblen suggested, into habits - and policy proposals must somehow accommodate them (Langlois 1991). Rationality must be adjusted according to real world constraints, such as limits to knowledge, cognitive functions and social culture and history (Hodgson 1991: 87). 'Distortions' to rationality are therefore commonplace (Williamson 1986). Despite the limitations, attempts at rational policy proposals were used to reorganise the Australian economy and the social and cultural lives of its citizens according to a notion of commodification that grew out of strategically defined interests.\(^8\) From an institutional perspective, 'strategic rationality' is most likely to be manifest in the policy domain when it is expressed as 'democratic planning' (Dugger 1990: 428). For such planning to succeed, strategically defined interests have to fit into the interests of the global market which is based on commodification of tradeable goods. Moreover, strategically defined interests require the relationship between rational democratic planning and rhetoric to be linked to specific policy proposals that have a basis in the market economy. To succeed, the relationship needs to be flexible enough to respond to the requirements of public policy where measurable outcomes can be observed as a result of the strategy. As such, commodification can be considered to be the key indicator driving the policy shifts under discussion. The policy shifts arising from commodification can also be seen to include vestiges of Keynesian market planning, and social goals which have

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\(^8\) Bennett has noted the necessity of aligning 'strategy' with the political economy of culture (1992: 35).
roots in the ALP (Beilharz et al., 1992: 33-38). Critics of the ALP during the 1980s, for example, Melbourne journalist Kenneth Davidson, who was economics editor of *The Age* newspaper during many of the years under review, argued for Keynesian market planning as a 'moral science' ('Why bad temper is intruding on economic debate', *The Age*, 22 May 1993: 8). Keynesian approaches to economic management became a sort of moral touchstone for some Labor Party politicians and critics, who drew on Keynes's notion of 'economics as a moral science' (see for example John Kerin, 1991; cited in Davidson, *The Age*, 22 May 1991: 8). The challenge was to operate pragmatically yet strategically and rationally, as the oscillations of welfare and utilitarianism occurred.

This construction of commodification manifests itself in counter-indicative ways. That is, the post-colonial assertion of a policy vision involved the need to produce policies that counter-acted a colonial or dependent view of commodification, as a singular perspective of market relations. Appaduri has theorised at length about the 'perennial and universal tug-of-war between the tendency of all economies to expand the jurisdiction of commoditization (sic) and of all cultures to restrict it' (1986: 17). More recently, Frow has suggested that commodification 'is never a completed and closed process', but a systematic series of shifts manifesting a form of resistance and cooptation into the market (1992: 19). The globalisation-national policy dualism typology can be seen as a means of linking the tug-of-war within the commodity to policy issues.

Music policy was drawn into this commodification vortex. One way of finding a destination for a frontier view of policy is to produce a mode of thinking that implements the processual paradigm. Importantly, neither Veblen nor contemporary institutional economists offer a template for a national critique of political economy in Australia. The Australian conditions must be evaluated in terms of the
history, interests and concerns of the political economy of this country. In order to effectively do so it is useful to undertake two tasks: a) tease out the constitutive elements of policy in Australia; b) outline a map of the popular music policy changes during the period being examined.

**An Australian policy recipe**

Numerous studies of contemporary capitalism have identified the increasing complexity of the challenges facing policy makers in general and researchers in particular, as contemporary capitalism undergoes rapid shifts and movements. This complexity is suggested by the systematic relationships that develop between the national political economy and its global counterpart, which was suggested by a series of studies published in 1992.

Managing modern capitalism thus remains an effort at hitting the proverbial moving target. It is subject to an ever-changing agenda dictated by the dynamic development of what is now a genuinely global capitalist system. The instruments of national and regional public policy, not surprisingly, must evolve as well (Hancock et al: 345).

Sectoral studies, such as the one being undertaken here into popular music policy, therefore confront challenging issues. This arises from efforts to isolate one element of society and its policies from another, producing limitations in the way in which the emerging social and economic relationships are explained. Institutional economics sees part of its task as being to redress such limitations (Klein 1987, Samuelson 1987).

This necessarily leads to a question about the nature of policy in Australia, which links the social policy issues with specific popular music policy concerns: What are the fundamental elements of policy that are applicable to a study of popular music policy?

In answering this question it is useful to return again to the notion of the frontier and link it to the concept of
science. The 'science' being proposed is that where 'values' are recognised and invoked, as a means of elaborating an epistemology of production. Weber suggested that a science of culture would attempt to 'understand life as it is lived', where the values can be judged (Aaron 1970: 249). The values of policy -its ideology - can and should be judged as part of a consistent approach to recognising the way in which the frontier is moving to generate the new rules of behaviour. In the first instance, such rules incorporate values which are a manifestation of broad, socially constructed sense of space and place within the nation (Hunter and Mishra 1977: 9-12). In the second instance, the rules may be targeted to reflect specific needs, so that popular music policies will espouse and represent interests which may not otherwise be recognised.

Hamelink suggested that 'cultural self-assertion' operates here, making it possible for social groups to be 'able to find the techniques, symbols, and social patterns necessary to allow them to adequately adapt to their environment' (1983: 31). Bennett has suggested that this approach includes 'the possibility of a politics which might take the form of an administrative program' (1992: 29). In recognising the distinction between the general and specific values generating the behavioural rules, it is possible to identify some of the constitutive elements of the policies in the frontier domain.

Hamelink's work is particularly noteworthy. He produced a theory of policy that incorporated general and specific national needs into a single model. He suggested that 'cultural synchronisation' was a general, or global process that threatened national cultural autonomy by assuming that national policies would fall into alignment with the vested interests Veblen discussed (1983: 22). Cultural synchronisation threatened national policy because 'decisions regarding the cultural developments of a given country are made in accordance with the interests
and needs of a powerful and central nation and imposed with subtle but devastating effectiveness without regard for the adaptive necessities of the dependent nation' (1983: 22). Hamelink suggested that a 'process of national cultural emancipation' through resistance to synchronisation would produce national policies of 'dissociation' from central, dominating control (1983: 56, 95). Importantly he recognised that by asserting an autonomous position vis-a-vis the dominating values of the 'centre' powers, a real world, or realistic model involved activity along both vectors, producing 'tension' (1983: 56). Total dissociation (or delinking) from the policies of the 'metropolis-dominating relations' of the centre, would in effect, lead to isolation and potentially reduce the entire flow of economic and social benefits to a nation (1983: 95, 97). Hamelink proposed 'interdependence' as a solution, where active engagement between the state and capital, the market and policy is constantly negotiated as part of the 'tension' between vested interests - including government (1983: 94).

Hamelink's argument was that national policies had to dissociate in order to develop autonomously, yet recognise their contextual relationship internationally. The assertion of sovereign, national rights are paramount to his model.

...in international cultural, economic and political exchanges, the sovereign states will select what promotes self-reliant development. Indeed, the concept of self reliance is central to the strategy of dissociation (1983: 96).

Synchronisation with the policies of the centre, or 'central and powerful nation', can be taken to reflect the general stream of policy. Dissociation in order to assert national autonomy, reflects the specific nature of the policy fabric, which is the tone and texture of the social environment which governments attempt to establish with policy. Over-riding all of this is the globalisation
imperative, which is driven by the need for international trade and economic relations, that balances upon the axis of central and national concerns. Consequently, as Veblen suggested, a key question is really: 'what is the probable cultural outcome to be achieved through business traffic carried on for business ends...' (1958: 178). According to Veblen's theory, policies must engage primarily with the business machine process, given that it is from here that the primary logic of culture and social life is derived.

This approach suggests that business or industrial policies should receive priority. I want to suggest instead that something approximating a recipe of policies is appropriate to the Australian context and to the task of policy interdependence, as proposed by Hamelink. In order to explain the recipe approach to policy, it is necessary to assess the relationship of the ALP to policy formation and change, as a means of further elaborating the constitutive elements of policy in Australia. This involves general concerns as well as specific policy issues affecting popular music.

**The ALP cake-mix**

The evidence for a policy mix or recipe being the favoured *modus operandi* of the years under review can be identified in the general sweep of changes occurring within the stated political aims of the Australian Labor Party, as a party of reform. These political aims and values of the party can serve as indicators of an ideological policy outcome when analysed (Weimer and Vining 1992: 16-17). Identification of the stated political objectives of the government can also serve to identify the fundamental elements of policy which are evidenced in popular music policy initiatives.

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9 By August 1994, Prime Minister Paul Keating was able to institutionalise the concept of progressive reform: 'After 25 years in the Federal Parliament I cannot think of a single item of reforming legislation - not even the most flawed - which has damaged the fabric and future of Australia in a dimension comparable to that caused by inaction or regression' (Baker, 6 August: 3).
Working from its historical base in the nineteenth century rural working class labor movement, the ALP was committed to a form of socialism about which there was never singular agreement within the party. However, its ideal form was envisioned by William Lane, a 'Utopian Socialist' (Souter 1991: 16). His efforts in taking a group of settlers to Paraguay in 1893 to establish a 'workers paradise' encapsulated the ambition (Buxton 1974: 207-208).

Unionism came to the Australian Bushman as a religion. It came bringing salvation from years of tyranny (Lane, cited in McKinlay 1988: 1).

This 'spiritual' quest for a millenarian objective in the Labor movement (a worldwide feature of utopian worker movements) finds intangible, yet deep emotional roots in the labour movement (Wilding 1984: 10). The policy implication is that the ALP needs 'to design policies and strategies that it is assumed, if implemented wholly, would achieve a thorough 'transformation' of society and human behaviour' (O'Brien 1977: 175).

Critics of the party, especially those on the left, have consistently argued that the Labor Party 'sells out' its visionary (or spiritual) commitment to socialism, rather than 'maintaining the struggle' (see for example Farrell 1981, MacIntyre 1988, Castles 1989). Yet the ALP is a party that has shifted, or accommodated its objectives to the changing nature of the social, economic and industrial issues facing the society. It is a 'pluralist', 'broad based party' - making it capable of adaptation - which is 'fundamental to its survival' (North and Weller 1980: 2). According to the Veblenesque approach, the party has sought to move in an evolutionary manner to engage with the changing nature of the business enterprise. As a result, the 'basic choices' facing the party produced questions about whether the priority is being in government or 'the achievement of social reforms and policy goals' (North and Weller 1980: 3). In some cases, this dilemma produces 'a problem of "vision" in Labor's
outlook' (Burchell and Mathews 1991: 3). This sort of dilemma and the critique of the industrial compromises has been a common experience with social democracies in the western world where 'old' ideas of the state and the market, have been forced to give way to 'new' ideas about 'managed, controlled and planned economies', in a series of pragmatic moves (Hobsbawm 1989: 217). Consequently, the ALP's policies almost always represent a broad range of interests, in what amounts to a quest to 'civilise capitalism' (Nairn 1989). As Bob Hawke and the Business Summit of 1983 indicated, the party could be conceived and recreated to manifest a consensual view of 'what is good for all Australians' (McEachern 1985).

Similarly, the 1983 Accord (Statement of Accord by the Australian Labor Party and the Australian Council of Trade Unions Regarding Economic Policy) sought a consensual alliance between the Labor Government and trade union interests. From 1983 until 1996 it was used to restrain work place disputation, as well as minimise demands for increased wages. For example, in the years 1983-1988 real wages in Australia fell 12 per cent (McKinlay 1988: 203). Yet it has been described as an agreement that balanced economic, electoral and social objectives 'to achieve what is politically and electorally possible in the essence of labourism' (Singleton 1990: 198). It provides further evidence of what one writer has described

10 Astute observers of the ALP and its policy and Hawke, would have noticed a fully constructed and intellectually credible presentation of the 'consensus' view in 1979, when Hawke offered the following suggestion in his Boyer Lectures: 'There is an overwhelming need for a national understanding of the vast and potentially devastating nature of the problems created for us by those forces together with the escalating cost of energy. For this reason there should be a convening, by Government, of a national summit conference of major employer organisations, trade unions and other relevant bodies, where all the facts, analyses and forecasts are put on the table. This should not be an occasion for grandstanding or point scoring, but for a rational, objective dissemination of factual materials in an attempt to create a general understanding of the dimensions of the economic problems confronting our country. This understanding is an essential pre-condition for creating the greater degree of positive cooperation which will be necessary for us to meet these challenges and the conflict they are already generating' (1979: 43).

11 Even the Accord has gone through multiple changes, which can be seen to reflect the transformations to the political economy of Australia. Each version attempted to reflect the new values and economic conditions that were either appealed to by each new Federal Labor government administration, or brought about by changing global pressures on the industrial and business environment.
as the 'alloy' of policy strategies which the ALP has traditionally used (Maddox 1989: 163).

It is necessary however, to contrast the proposal that the ALP could build a society based on a mutually agreed consensus, with its historical working class tradition, which focused on the contending economic, social and class based forces at work in society. Indeed, unequivocal statements about the party's political ambitions still appear as official party 'Objectives', and serve to heighten the contrast between the party's trade union tradition and the approach adopted in the 1980s:

The recognition by the trade union movement of the necessity for a political voice to take forward the struggle of the working class against the excesses, injustices and inequalities of capitalism (National Conference Papers, 1984: ix).

Not surprisingly, this historical association of the party with the class oriented struggle of the trade union movement generated a reluctance to agree to what Kelly has described as a 'vision of reconciliation' with business, in the early 1980s (1984: 395). The concept of consensus has been consistently critiqued (see for example Frankel 1993). On a relatively banal level, 'consensus' was a marketing term used to manage a political campaign under a slogan that seemed to appeal to a broad constituency in the electorate. On a sociological and political science level, a study of consensus politics in the UK, with references to Swedish and US experiments found that consensus frequently involved a 'top down' assertion of power by business interests, rather than a bottom up form of politics aimed at 'the creation of welfare structures' (Sullivan 1992: 68). While consensus was a key term used during the early Hawke years, it served the purpose of opening up the possibilities and opportunities for policy action by offering a range of policies that could appeal to a variety of interests.
It is possible to see a consistent manoeuvring by the party in government in the 1980s and 1990s, which incorporated the trade union's own traditional visionary goals, with the necessary compromises. At the end of the decade under review, Paul Keating defined the policy recipe approach.

The countries which have done best are those which have recognised the need to be flexible and subtle: to create change and adapt to it, but also to maintain continuity; to create open competitive economies, but also social and cultural programs, infrastructure, opportunity, access. It is the social democracies which have been the most successful (cited in Emy et al 1993: Preface).

Business spokespeople also noted the multiple policy task, thereby effectively linking pragmatism within both Labor and business interests. Peter Barnett, the director and chief executive of mining giant Pasminco, made the following 'compromise' suggestion in an address to the fourth national business summit in 1993:

The community feels entitled to community benefits. The objective is not to erode these benefits but to ensure it is understood that they can only be maintained by an achieving and productive society (1993: 22).

Consensus, like commodification, also involves a tug of war and a compromised result. In general, a mixture of policies aimed at producing multiple outcomes - economic, social and cultural - in the political domain of the nation is what consensus politics is about. The policies are driven by a pragmatic political commitment to provide opportunities and security for the broadest possible constituency within the community, where it is sometimes characterised as the 'social contract' (Heilbroner 1993). In Australia, it guaranteed a dignified standard of living. The ALP's 'social contract' was proposed using a needs based welfare model as the means to the end, thereby setting rational policy objectives, provided by the provision of public spending by government, combined with occupational or enterprise-based welfare (Stewart, Jennett
1990: 12, Mishra 1977: 44). The general objective was a social policy which incorporated 'social action concerning needs as well as the structural patterns or arrangements through which needs are met' (Mishra 1977: x). As Mishra points out, social policy can be characterised by a number of issues: welfare, social administration, relevance, practicality, humanitarianism, concern with society and change (1977: 25). As a matter of priority, social policy incorporates a level of rationality in goal setting which the policy makers seek to achieve in negotiation with the decision maker (Stewart and Jenner 1990: 12). In this respect, social policy is knowingly political, as the state is inevitably engaged in value judgements about the sites it selects for intervention to provide social provisioning in the corporation dominated market economy (Sullivan 1992).

In seeing the role of government as a 'provider' for all, via its social policy, the ALP's policy values approximate a model of social democracy, as Keating asserted. This marks a shift from the party's stated objectives of being a democratic socialist party, with 'the objective of the democratic socialisation of industry, production, distribution, exchange, to the extent necessary to eliminate exploitation and other anti-social features in these fields' (36th National Conference Papers, 1984: ix). Social democracy itself is a fraught term with a long history in the economic, sociological and political science literature (Stimson 1988: 395-398). In general, social democracy incorporates a commitment to the democratic institutions of public discussion and a commitment to socialism, while suffering from the 'dilemmas' of participatory democracy and big government (Stimson 1988: 395, Wilenski 1986: 74-92). However, it moves in multiple directions and represents numerous formations, including, importantly, the Fabian concept of 'market socialism', where collective interests are driven by the ability of the capitalist market to generate the necessary financial resources to fund the welfare needs of
the society. As Emy noted, 'the problem for Labor is to know how far to go with its support for the market' (1993: 19).

The tradition of social democracy can be closely aligned with an economic model favoured by contemporary institutional economists. That is, the mixed economy approach, also referred to as a 'sensible economy' (Petr 1988:29). Here government is responsible for the introduction of policies that flatten out the extremes of speculative, unproductive capitalist activity in favour of public interest outcomes, or human provisioning. These two streams of policy activity - the cultural and the economic - bound together by government and its bureaucracy is the challenge of the 'modern welfare state', or what I shall refer to in the theoretical chapter, in a term appropriated from Michel Foucault, as the art of government (Hunter 1992). This political economy perspective of a mixed economy, which was the model pursued by the ALP Governments of the time, was used to attempt to resolve economic and industrial modernisation dilemmas, while answering the demands of an imagined Australian community. In many respects, the mixed economy problematises the contradictions between existing capitalist institutions, and the imagined, beneficiary community. As Hodgson has suggested, the mixed economy is an 'ethical ideal', merging democracy, planning and participation aimed at social and economic pluralism (1991: 143). In the Australian policy context, it is also a genuinely anticipated goal, usefully categorised as a Managed Economy (Hart 1992: 20-21).

The mixed economy can be understood as the community's attempt to implement instrumentally warranted

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12 Soon after the defeat of the ALP in the Federal election of March 2, 1996, newly elected Parliamentary party leader provided a useful example of the ALP's dilemma: 'I think I am a traditionalist. I think the Labor Party does have to, in the first instance, be about equality of opportunity, be about preserving and protecting and enhancing the social safety net, giving emphasis to investment in human capital so that people's life chances are improved. I would describe myself as a social democrat. So I don't have a problem, if you like, with the traditional language of Labor in the modern idiom' (Grattan 1996: A21).
institutional change, consistent with advancing knowledge, to overcome obstacles between "is" and "ought" (Petr 1988: 47).

Importantly, for the purposes of this study, the alliance of the social democracy-mixed economy is dynamic and well served by the policy recipe approach, where social policy has pre-eminence as the ALP's ideological basis. According to one writer, this policy mix has been recognised in the convergence of social, demographic and economic factors in Australia in the 1980s, which forced a closer alignment between varying sets of policy priorities (Gibson, 1990: 181). More recently, it has been suggested that an appropriate way of conceptualising this convergence is in terms of the 'social market economy model' (Emy 1993: 19). Such a model is however limited by its presentation of the implicit prominence of economic criteria, such as 'open and competitive markets', which tend to denigrate the participatory and pluralistic focus of the social democracy - mixed economy approach. Indeed, the evolutionary approach suggests that the range of institutions established by governments seeking a social democracy-mixed economy, will be broadly representative of a wide cross-section of the community and the goal of human provisioning (Mishra 1977: 44).

In conclusion, social policy is defined here as the visionary ideological domain generated by the ALP, in which specific sectoral policies, such as industry policy and cultural policy operate. In the social democracy-mixed economy model, social policy can be conceived as the determining feature of all other policies. In this sense, my use of social policy is based on the definition put by

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13 Emy's overview is superficially attractive, but falls back on economistic values in his definition of 'social market economy model, which 'provides a means of incorporating the virtues to be found in a system of open and competitive markets, without going all the way towards a totally deregulated market society. The combination offers a more constructive and electorally viable route than the possible temptation to fall back upon the earlier rhetoric of either Labourism and socialism' (1993: 19).
Booth, which can be idealised as an expression of the culturalism I outlined previously:

Social policy can best be seen as all policies which affect the distribution of resources and life-chances among individuals, groups and classes in society (1988: 3).

I am arguing that the visionary values of the ALP's general concept of social policy became the guiding principle against which all other policies can be measured. Furthermore, social policy offered foundations around which the visionary values of the ALP's nation building exercise could take place. However, this ambition was in tension with other concerns, resulting in compromises of social policy.

In the following section I will continue this context-setting approach to outline the prevailing approach to industry policy in the decade under review and indicate how this impinges on popular music policy. In the theoretical chapter concluding this section I will suggest how it is possible to bring these concerns together in a systematic model.
Chapter 4

Industry Policy

In a special issue of *Meanjin* dedicated to policy and culture in 1992, Tom O'Regan suggested: 'We seem to be living in a policy-minded moment'. He cited as evidence of this 'moment' an intense change in the level of interest in cultural policy, with its institutionalisation within the tertiary education sector and as an object of consultancy (1992: 517-518). Popular music's moment of definition as an object of policy was inevitably tied to the cultural policy moment, with the release of a number reports which altered the perception of popular music in Australia. As I will indicate in chapter 10 where I examine the key documents produced from 1985-1988, a significant part of the shift was that the term 'industry' became a prominent, even assumed moniker for all musical production across both subsidised and existing popular music business domains. Certainly the policy moment was defined by the way in which popular music was no longer invisible to public policy concerns.

During these years of inquiry and review and the later establishment of organisations such as the Victorian Rock Foundation and Ausmusic, virtually all musical activity was adorned with the prefix 'industry' as a means of 'stimulating ... a consideration of the possibilities for development', in which a shift in definitions conflated the economic interests of the existing popular music industry with the arts music subsidy sector (Guldberg 1987: v). Popular music came to be evaluated according to a set of economic and organisational criteria that demanded that any conceptualisation of its activity became industrial. In so doing, it was incorporated into the everyday concerns of public policy. Public policy was increasingly evaluated according to economic objectives, which were dominated by narrowly defined neo-classical accounting methods, inadequately informed by social policy considerations.
Clearer methods of conceptualising the industry are required. In this chapter I will outline some significant industry policy issues incorporated in a study of the music industry. Underlying my concern with industry policy is an appreciation of the 'interaction model', whereby a dynamic relationship between 'three main levels of action ... describe the relationship between music creation, production and dissemination' in a national music industry (Wallis and Malm 1984: 20). They are: (1) the international level, which includes multinational record companies, related music and media industries; (2) the national level which includes local music industry, mass media, music institutions and organisations; (3) aggregate music activity, which includes 'the actual musical played and listened to by 'the public at large' (1984: 20). I will not detail these levels of interaction in this chapter, but return to them in the case study. More importantly for my purposes here is the indication this model provides of the extraordinary global interrelations of musical activity that need to be considered as part of a national popular music industry study. In this chapter I also want to indicate how an institutional economic perspective, with its emphasis on producing an appropriate theory of social change, includes industry policy as an imperative of evolutionary progress. In this respect I will outline some of the approaches to industry policy analysis, including public interest theory, before concluding with suggestions about how the use of the structure-conduct-performance approach to industry can assist a popular music industry policy study such as this.

**Approaches to industry**

In undertaking this sketch of industry policy issues, I do not intend to resort to what Frith described as an anti-industrial reflex, in which 'industrialisation' is interpreted as 'a shift from active musical production to passive pop consumption, the decline of folk or community
or subculture traditions, and a general musical
deskilling' (1987: 54). As I have already suggested and as
I will reiterate in the next chapter, definitions of the
industry I am using rely on an appreciation of the process
of commodification, in which creative musical activity is
placed in a process within the market economy, where
policy mediates the relationships between production and
consumption.

In taking this approach, the literature detailing the
intersection between industry and culture generally
appears under the rubric of 'cultural industries'. Until
1992 the literature was not focused in relation to popular
music policy, when the arrival of Rock and Popular Music:
Politics, Policies, Institutions, signalled, as its
editors noted, 'a particular point in the politics of
music's cultural analysis where the influence of old
discourses is present but waning and new ways of thinking
about music as culture are slowly being forged' (Bennett
et al 1992: 5, Stockbridge 1988). Without detailing the
numerous essays within this text, the book marked a
recognition within the academic community that policy had
been overlooked in considerations of popular music
production. This was a change from the position adopted by
Theodore Adorno whose antagonism to the industrial element
of the popular music industry equation had influenced
numerous writers (for example Eisenberg 1988). These
positions have not, however, expressed policy concerns.

The Marxist position regarding industry policy has been
quite close to Adorno's dismissive critique, maintaining
that industry itself has been the means whereby capitalism
was advanced and as such should be rejected (Mishra 1977:
69). Marxist approaches are generally sceptical of
industrial development, which has been seen as the concern
of exploitative ruling class, capitalist interests. Given
the alienating processes of capitalist production and
Marx's requirement in the Communist Manifesto that workers
unite for its overthrow, attempts to study industry or
policies which might improve industry were not highly valued, especially by the 'vulgar Marxist' stream that prioritised the economic base of society. This is not to say that all Marxist approaches should be jettisoned. They still provide a means of generating critical questions of the system, and providing a 'structural framework' which, in turn, provides a means to an appropriate political economy (Block 1991: 29). For example, Mattelart's recognition of the 'structural tension' between 'economy' and 'culture' is derived from his application of Marxist categories to the field of global cultural production (1988: 341). His concern to critique the assumptions of US film and television producers in the light of national producers, can be seen as a compromise position that recognises and prioritises a national production industry. Many of the issues considered in this thesis are derived from concerns with this tension, which is not unique to Marxism, as my earlier comments on institutional economics and culturalism suggested.

Marxist criticism has often missed and avoided positioning policy studies within its broader ambitions for political economy analysis. A perspective that views industry as a necessary element of society that can be organised to create human provisioning outcomes, by coordinating a 'three-sided relationship among capitalists, workers and state managers', has been slow in developing (Block 1991: 42). This approach involves rejecting the traditional Marxist emphasis on economy, or 'economism' as a mechanically determining factor in social and class issues (Laclau, and Mouffe 1991: 54). A reductionist approach to the task of analysis is incapable of acknowledging the necessary 'rational' alliances of otherwise contending classes (Laclau and Mouffe 1991)\(^1\). Its conservative

\(^1\) Laclau and Mouffe consider 'economism' as the key problem holding back a rationally constructed theory of development. They link a new theory of contemporary Marxist thought with pluralism: 'Our conception of democracy is too limited. To frame a new socialist project it is urgent to reformulate liberal-democratic discourse in such a way as to allow us to advocate not only real participation of people in all the decisions concerning the organisation of social life, but also a real equality irrespective of gender, race, or sexual orientation' (1991: 67).
economistic manifestation is much less comprehending, given its absence of a systematic framework and a fetishised approach to accounting procedures.

Alternatively, the sociological approach applied by Hirsh made the point that a 'cultural industry system' can be shown to operate in the music business (1990: 132). This is a position that is not too far removed from the structures of analysis that Marxist approaches apply, which has been most readily incorporated into sociology. As I noted in Chapter One, when undertaking a study of political economy, it is necessary to recognise the systematic ways in which new social, economic and institutional formations appear, in order to produce an epistemology of production. A systems framework approach to industry policy's link to social policy and corporate perspectives addresses my concern with processual institutional economics.

Less useful is the literature known as 'cultural economics' and the journal of the same name. Here, the tendency is a preoccupation with subsidised art forms ('the arts') and neo-classical pricing structures and market performance, rather than questions of political economy or industrial development. I will provide examples of this limited approach in my later examination of some of the case study documents. Institutional economics helps leap over such blockages in the literature by:

a) acknowledging the evolutionary nature of capitalism and policy's place within that evolution;
b) recognising that culture and industry are not mutually exclusive and should be examined as part of a systematic project of investigation.

The evolution of capitalism leads, as I pointed out previously, to a convergence of policy issues that creates serious challenges for policy studies. The case has been put by Melody:
The great challenge for policy research is to explain the complex set of interrelations among policy areas that were previously thought to be reasonably discrete and separable, and thereby provide a better understanding of the environment in which informed policy decisions must be made (1990: 16).

This point is often glossed over in industry policy discussion: the industry policy domain co-exists with others, and 'the scale, complexity and interdependence between groups and institutions' is a characteristic of contemporary society (Mishra 1977: 43). At the leading edge of the contemporary institutional approach to policy is the belief that government has a key role to play in using policy as a regulating mechanism, where an 'explicit rationale' is the 'aim of steering or guiding society along a particular path of social development' (Booth 1988: 3). In particular, government may use social policy as a means to generating better industrial organisation, as part of the general process of policy development, as I indicated in the previous chapter. Industry issues inevitably appear under the umbrella of 'industry policy', with little reference to the relationship each set of policies requires with each other. By recognising the integrity of industry policy, together with its relationship to social policy, a rational approach to industry policy can be applied to music creation and production.

This is not a dramatic assertion. Evidence from many countries makes it clear that governments are adopting regulatory policies that define 'industry' in very broad terms. The 'new state theorists' for example, suggest that the relationship between business, industry and the state is an easily overlooked element of industrial organisation (Weiss 1992:97). This approach and the associated research suggests that the state has become increasingly important as an economic player, where it is 'compelled to act in the international arena in order to maximise the world surplus in its own favour and at home to increase the
competitiveness of its national capital' (Weiss 1992: 122). By balancing national interests at a local level, as reflected in indigenous industries, with the interests of international giants, a 'geo-political' approach to industrial organisation has developed internationally, argues Weiss (1992:120). Yet even this view fails to recognise the values driving such interventions. As I argued in the previous section, the social policy 'motor' provides the framework within which industry planning and national economic ambitions are established, particularly as part of the social democracy-mixed economy model.

Cultural industries intersect with this geo-political wind change, as part of a complex set of national and global relations. The nature of the shift has seen an 'American model' of organisation imported into Europe and universally, including Australia (Rutten 1991: 294). The model (which applied to music, film and book publishing) placed 'the market' as 'the dominant factor in shaping production and distribution' (Rutten 1991: 295). This is not an accurate assessment of non-American countries (or for that matter America itself), where policy is a national, or site-specific method of coordinating the activities of the market, so that its economistic extremes, borne of rational planning obsessions, and 'blind reason' - rather than 'living reason' and its sensitivity to human and community needs - do not overwhelm national and public interests (Sheehan 1995: 14-15). The dilemma for countries with social democracy-mixed economies such as Australia, has been to find a way to position policy within the global market concerns which are imposed as part of emergent geo-political alignments, which can be influenced by 'blind' market orthodoxy. In the next section I will briefly indicate how Australian industry policy developed during the decade under review.

**Australian industry policy**

Industry policy was forced to the front of the agenda in Australia by the Crawford Report of 1979, which the ALP
took up and presented with initiatives such as: 'increased export promotion, better skills training, improved access to capital, industry plans and support for high-tech industries' (Tanner 1994: i). From the first days of the Federal Labor Government in 1983, there was considerable pressure to re-make a competitive industry, by reducing the protective tariff barriers for domestic productions that had received bi-partisan support from both sides of politics. An almost equally bi-partisan form of Parliamentary support for removing the barriers in a deregulatory shift began in earnest in the mid-1980s and included cultural industries in public debates (Cunningham 1992:48-49). Although at the time, the removal of barriers and subsidies was painted by the left cultural policy protectionist school and some of the left of the ALP as implicitly disadvantageous to national industry and culture, more pragmatic interpretations recognised the shift as a negotiated reform with significant benefits - the prospect of full employment, improved, competitive manufacturing, globally competitive industry (Beilharz 1994: 140).

The issue, recognised in economic writing, was that an industrial model within a social democratic-mixed economy, necessarily involved 'at least partial correction by government action' to the dominant economic system (Sirkin 1968: 9). The ALP's quest to 'civilise capitalism' in line with its visionary ideology, would necessarily involve an interventionary approach, using policy as the main tool. There is little agreement on the effectiveness of Labor's industry policies which have been the object of sustained 'internal dissent' amongst economists in Australia (King and Lloyd 1993: ix). Yet by the mid-1990s, industry policy assessments began to show that focussed policy activity with a global trade objective was making an impact. Two detailed reports co-authored by Peter Sheehan, Nick Pappas and others, The Rebirth of Australian Industry (1994) and Australia and the Knowledge Economy (1995), provided considerable evidence about the beneficial impact of Labor
industry policy. The reports showed that Australian Government attempts at specific industry policy reforms, from 1985-1993, in line with other governments around the world, had 'introduced policies designed to assist locally-based firms to compete in ... oligopolistic markets for highly complex products ... turning on technology, quality, design and ease of integration into worldwide product systems, provided cost conditions are met' (Sheehan et al 1994: 3). Australia was also shown to have a considerable advantage owing to Government support for Research and Development, which could place it at the forefront of new technology innovations linked to emerging industry activity (Sheehan et al 1995).

Contrasting this optimism were views filtering into the media about business interests - the people responsible for most directly influencing and controlling industry - which were identified as failing to participate in a systematic approach to industry organisation and policy activity. In some instances, business and the bureaucracy were portrayed as incompatible partners in industry policy. For example, in 1990, Henry Bosch, the outgoing chairperson of the Australian Securities Commission noted 'how badly the private sector goes about the business of influencing the Government', as well as commenting on the fragmentation of government, suggesting that government was 'a seething snakepit of conflicting interests, in which not all the snakes are wise and few are well informed' (Maiden, November 23, 1990:6). Later in the decade, more disturbing indications of the inability to 'influence policy debate' of the Commonwealth Department of Industry, Technology and Regional Development were publicised by the Department's Minister, Alan Griffiths:

There is no doubt that the department's clout in terms of the broader government agenda has been minimised by its almost non-existent knowledge of corporate law reforms, for example, which seem to me to be a key area for at least some involvement by an industry department (Megalogenis, 8 June 1993: 1).
Generating industry models in this context was bound to flounder, and bears relevance to my later case study, in which conflicts between bureaucrats, individual policy makers and industry are identified and where 'the public good' appears almost as an afterthought in industry policy calculations (Cousins 1994: 70).

It is hardly surprising therefore that the precise methods and limits of government intervention in the market continue to be the subject of debate involving a 'clash of paradigms' (Evans 1991: 39). Four prevailing views of industry policy can be derived from the literature, which can be seen to represent the clash. They are: ad hoc; market-competition policy; defeatist economism; political economy. I will outline each one.

One detailed review of industry policy in the late 1980s suggested that Australian industry and trade policy 'has had a long history of ad hoc and sometimes contradictory policy prescriptions which have led to an inadequate manufacturing structure and a shallow national perspective' (Australia Reconstructed 1987: 89). This confirmed an earlier view put about the history of Australian communications policy as ad hoc and to which I will return in a later chapter (Evans 1983). In arriving at its conclusion about ad hoc industry policy, the trade union movement's contribution to the industry 'debate' can be viewed as an attempt to influence the way in which government intervention was organised, where employment opportunities for blue collar workers were paramount. This position was put in the context of the uncertainties for the labour work force in the light of the globalisation imperative, where labour could not be guaranteed jobs. Some interpretations saw the ALP election to government in 1983 as the election of a party committed to 'activist' intervention, but which when in power 'presided over the greatest reduction in protection (of industry) ever seen in Australia' (Stanford 1992: 40, viii). This dual approach by government - interventionist protection of
labour and industry combined with market de-regulation - was the outcome of consensus that attempted to unite business and trade union interests around differing objectives. A sense of ad hoc industry policy formation was the result of the search for a consensual result, which produced an inconclusive result.

The second view, market competition policy, tended to be characterised as 'economic rationalism', although it has also been described as 'economic liberalism' (Pusey 1993, Beilharz et al 1992: 34)). It looked away from traditional Labor support structures which the trade unions had gained (Sloan 1993). It turned instead to an economism which was as ossified as any Marxist reading of a determining 'economic base'. Social policy did not induce much circumspection among its advocates. Yet market competition arguments did make some valid points in explaining future directions in industry policy. Some of these appeared in a key report that summarised the 1980s and sought to provide a useful model for future industry policy planning: The Australian Manufacturing Council's 1991 report The Global Challenge: Australian Manufacturing in the 1990s. It proceeded on the basis of an acceptance of the neo-classical tenets of the free market (Evans 1991: 40). The ability of the market to generate economic conditions around which new national industry arrangements could be brokered, was the basis of The Global Challenge. Implicitly, it agreed with the suggestion made elsewhere that: 'Ideologically-based solutions are unlikely to provide the answer to the difficult problems of industrial development' (Stanford 1992: 82). The Global Challenge attempted to realistically assess the dominance of the global market in industry policy and did not withdraw into an artificially assumed ideology free zone. Importantly, the report claimed that 'the critical factor' that challenged other paradigms was 'the central importance of firms or clusters of firms in industrial competition' - 'firms, not nations, have become the principal vehicle for competitive advantage in advanced industries' (Evans 1991:
40). The new state theorists may not agree. Yet an institutional economic perspective would predict the growing strength of the corporate firm within the global economy.

From a practical perspective it is important to recognise the real world actualities, which have been shown to involve an intensification of activity by Transnational Corporations (TNCs) especially in the years which this study examines: 1982 until 1995, with prospects for steady continuation of the rise of TNCs across national borders. For example, the *World Investment Report* noted the leap: in 1970 there were 7000 TNCs, based in 14 major developed countries, and by 1990 there were 24,000, with estimations suggesting that by 1993, 37,000 TNCs flourished (1993: 21). Market-competition approaches can be recognised as part of the industry policy spectrum, because they are determining characteristics of the national industry context which, as the above comments suggest, cannot be swept under the carpet in a denial of the relationship between the market and expanding corporate interests.

Market competition approaches are also part of the imposing artillery the business enterprise brings to the policy debate. Indeed, in terms of economically assessable criteria, such as statistically measured performance, the notion of a vision can be seen to apply here, if only in terms of recognising the growth fetish of economic measurement. However, where the concept of a market vision is driven by economic measurements devoid of social

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2 The study of TNCs (the term itself requires careful analysis) could usefully be the focus of this thesis, such are their dimensions and the issues involved. More significantly for this thesis is the recognition by the United Nations of the need for outward looking, integrated policies: 'For TNCs, investment, trade, technology transfer and the movement of staff are often interrelated ways of expanding abroad. In fact, integrated production strategies typically require that each of the channels is open to a firm, depending on its needs and the nature of the market. Accordingly, a rounded and outward-oriented development strategy is indispensable if a country want to become part of the emerging system of international production.
But more is required. In the same manner in which TNCs consider FDI (Foreign Direct Investment), trade, technology transfer and the movement of technical personnel as interrelated, so too must Governments consider their policies in these areas as interrelated. In other words, Governments must reexamine each policy proposal for its impact on the other policy areas and its implications for the wider strategy' (*World Investment Report* 1993: 224).
provisioning concerns, the outcome is grotesque in its mindless numeracy. It was no surprise therefore, when a key industrialist glowingly summarised with mechanistic precision, the achievements of the ALP in industry policy, in an article titled 'The Need for a National Vision'. This 'vision' is much too limited to coalesce with the ALP's vision, and yet these macro and micro-economic reforms are a part of the ALP agenda to improve national industrial performance.

Thirdly and conversely, a defeatist economism approach to industry policy can create an abiding lag in the development of industry policy. Here the 'pure market' approach produces a reflex of inaction and minimal government involvement, coupled with a sense of powerlessness on the part of policy makers (Hancock 1991:5). A 'theoretical vacuum' results (Tanner 1994: 6). One example makes the point.

It would seem that the free trade position has swept the field in Australia and the IP debate is over. ...The potential role of government is now more circumscribed in Australia than at any other time in our history. The market appears to have so disciplined the public sector that government now proposes and devises its own contraction. The question has become how little can be the role of government. In the rush to ensure the market rules we are downgrading the policy-making process and government bodies responsible for it (Chapman 1991: 69).

Identifying the defeatist economism perspective may be useful as a desperate means of mobilising action in response to the policy 'vacuum'. The limitations of such

3 Philip Brass, the director of Pacific Dunlop, one of Australia's own multinationals, endorsed the Federal Government's approach to industry policy and economic reforms from 1983-1990, suggesting that the ones he listed were 'important and profound structural improvements'. They were: 'floating the exchange rate, deregulating the financial sector, achieving the overall public sector surplus for each of the past three years, achieving a much needed increase in the profit share from the trough reached in 1982-83, and a necessary reduction in real wages, progressively reducing the level of tariff protection, reducing the burden of taxation by reducing both personal and company tax rates' (1991: 271). This check list of business-related micro-economic reforms aimed at 'achieving internationally competitive economic performance', was made by Brass without any reference to social policy priorities (1991: 279).
action are that it can be piecemeal and arbitrary, rather than comprehensive and systematic.

Finally, political economy occasionally includes the unhelpful emotional outbursts characterised by rapid-fire responses to defeatist economism. Nevertheless, the political economy of institutional economics, with its emphasis on a theory of change and human provisioning encourages an integrated industry policy approach. Political economy implicitly exposes all policy issue to social policy values, as outlined in the previous chapter. As I noted above, the market competition approach should not be dismissed outright from political economy, although it frequently has been. It should not be outside the consideration of a rational political economy to recognise the processes and changes underway in capitalism and seek to incorporate them into a model that reflects the dynamism of social and economic life. Hancock has provided a useful definition of a coordinated market approach to economic management, which helps to conceptualise the integrative nature of the political economy industry policy paradigm.

A coordinated market policy involves an affirmation of both private ownership and extensive social welfare, but its practitioners act on this affirmation in a more assertive fashion. Concretely, they seek to promote economic growth and comprehensive welfare provision through coordinated public and private measures designed to institutionalise structural adaptation to changing domestic and international economic conditions (1991: 5-6).

This is a position that reflects institutional economic traditions, which, as I indicated in chapter 2, offers a contemporary means of conceptualising evolving relationships between social, economic and industrial interests.

The four approaches outlined above, provide an overview of a set of theories and methods which have been discussed and in some cases implemented in Australian industry
policy. Generally, however their limitations can be considered as follows: ad hoc policy failed to consider the necessary issues in a concerted and detailed manner; market competition policy resorted to a reduced set of prospects in an effort to establish a flawed consensus among business and trade union combatants; defeatist economism promised retreat into neo-classical economistic measurement; conventional political economy used ill-considered emotionally derived rhetoric that was short sighted.

Institutional economics offers the preferred political economy because it engages with the variety of interests at work in society, recognising the continuing process of change, requiring pragmatic policy action with guarantees for human provisioning. As suggested in chapter 2, the political economic approach to industry policy maintains the centrality of the relationship between industry and culture. That is, interventionary, or regulatory strategies are a means of building relations which reflect national interests and ambitions within the existing market of global capitalism. Such a complex of relations involves a constant balancing act by government policy makers. Public expectations that the abuse of market power will be curtailed and the resulting struggle over the nature of that power involves intensive negotiation between governments and corporations (Galbraith: 1983: 13). The 'public interest theory' of regulation helps describe this approach and the way in which national government policy is committed to meeting public needs depending on circumstances (Trebing 1988: 293). Yet 'public interest theory' has been extensively criticised as a 'slippery and controversial concept' (McQuail 1994: 242). Nevertheless, it asserts that policy must represent a range of public concerns based on 'relevant performance criteria' (McQuail 1994: 242). But such criteria are not always apparent when applied to industry, or indeed to any other sector. How, for example, can the public interest be assessed when private arrangements between companies are
being made? Why should private concerns for profit maximisation be subject to public exposure and critique? Industry policy will inevitably struggle with such questions in a capitalist society. Yet public interest theory and institutional economics proceed on the basis of an antagonistic set of propositions, aimed at welfare outcomes. A rational set of propositions relies on a set of criteria which can be drawn from conventional economic and policy sources, while maintaining the integrity of the social policy objectives outlined in the previous chapter. Such 'fundamental value premises' are necessary for systematic application of values in public policy assessment (Peters 1986: 311). In the following section I will indicate how the structure-conduct-performance approach to industry can assist in the development of the criteria suitable for industry policy analysis, while simultaneously maintaining public interest concerns and the social provisioning values of institutional economics.

**Evaluating industry policy**

There is an absence of public interest theory evident in industry policy studies in Australia. Some arguments suggest that the ALP and neo-classical economists have both consciously and unwittingly reduced the place of the public in the policy process (Armstrong 1991). Another view is that public interest theory is less helpful than alternative approaches, following 'the emergence and consolidation of social movements and public interest groups based on values other than those of traditional economic-producer organisations' (Head 1989: 488). Perhaps the fragmentary nature of social interests, as proposed in some post-modern theory and taken up in cultural studies, has assisted the formation of new interests which can

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4 Peters makes the point that public policy can be evaluated in the context of a systematised set of values applied by the analyst, who works as both a moral actor and technician. Otherwise the analyst is mere a 'baby analyst'. The range of technical possibilities is frequently broader for policy makers than the range of ethically justifiable possibilities. But, unfortunately, many values that should affect policy decisions in the public sector conflict with one another. Analysts frequently face choices among competing values rather than clear-cut decisions about options that are either right or wrong. In making almost all allocative decisions, policy makers must choose among worthy ends; they do not have the luxury of picking the only acceptable policy' (Peters 1986: 311).
operate outside the economy of industrial relationships (Ross 1992: 531-555). However, the culturalism of institutional economics suggests that as alternative economies become better organised, particularly within the context of the social democracy-mixed economy model, they are readily incorporated into the industry building policy processes of government. As new economies emerge, evolutionary political economic theory suggests that public interest theory can inform industry policy concerns. It is within this configuration that music industry will be considered as part of the later case study.

The transition of social movements to public interest groups - the punk movement in the 1970s to become the new wave market of the 1980s, the environmental movement in the mid-1980s - suggests that a fresh set of organisational relations were developing in Australia and internationally. I want to argue that industrial organisation can be viewed as a sub-set of this broader restructuring of alliances, where the emerging economic influence of interest groups transforms economic relations. Bain suggested that the examination of the organisation of productive effort could be more effective if 'the variegated and complex separate interests' could be investigated (1986: 53). Social movements and their links with social policy objectives should be considered part of the overall organisational structure in society. An epistemology of production has to be inclusive if it is to reveal the necessary relationships between economic, social and ideological activity. Examination of new features of the music business could establish adequate theories for reinforcing the assertion that specific forms of activity by interest groups generate industrial formations.

In general, industrial organisation involves applying specific models of markets from economic theory to the entire social map (Caves et al 1987: 11). The structure-
conduct-performance approach or 'trinity of concepts' approach offers an underutilised, short-hand framework, for the analysis of market structure, market conduct and market performance (Caves et al 1987: 11). In this approach to industry analysis, the market provides a jumping off point for further analysis which recognises the value of policy concerns. The definitions of structure, conduct, performance that follow, help make the task more achievable, although the reductionist nature of the structure imposed on the relationships across the market is limiting. However, it is necessary to recognise such limitations, while at the same time identifying tools that can refine both my concerns in extending the fields of institutional economics and cultural studies.

Structure is defined as 'the relatively stable features of the market environment which influence the rivalry among the buyers and sellers operating within it' (Caves et al 1987: 11). Of particular relevance to this study is the relative size of buyers and sellers, the substitutability of one product for another (for example, Australian music for imported music), and ease of entry to the market place by new sellers.

Conduct consists of the policies that participants adopt towards the market with regard to price, their products and the nature of market transactions (Caves 1987: 11). Once again, as I will indicate later, with the increasing strategic placement of firms as drivers of economic and industrial activity, conduct is increasingly important from a national policy perspective, especially in relation to the firms social welfare behaviour, or more generally, society's social provisioning (Tirole 1988: 3). One priority for governments is to encourage, regulate or intervene to assure that the conduct of firms are aligned with national objectives, which will include the over-riding social policy concerns of the social democratic-mixed economy.
Performance involves 'the normative appraisal of the social quality of the allocation of resources which results from a market's conduct', including efficiency, technological progress, stability and equity (Caves et al 1987: 11). Where 'normative' incorporates a determination of 'what ought to be, in the sense of making ethical judgements', there is little or no antagonism with the institutional economics approach (Stiegler, Thomas 1976: 275). Once again, it is possible to recognise an alignment with social policy issues in this category of assessment, where industry ambitions amalgamate the moral concerns of social policy into its everyday activities.

These definitions as applied by Caves et al provide working principles or relevant criteria for explaining market behaviour. They do not provide details on how to identify emerging or new market activities, concentrating on the macro issues dominated by a traditionally narrow view of the dominant market economy. However, one means of addressing this limitation has been achieved by adding policy to the industrial organisation framework. This is achieved by suggesting that the links between the trinity of concepts can generate 'a powerful (predicting) tool for economic analysis and public policy' (Caves 1987: 12).

Even more important, public policy can sometimes be used to change the elements of market structure or modify patterns of conduct. If we can spot some features of market structure or conduct which regularly cause poor market performance, we may find the key to designing policies to change the environment and raise the level of performance (1987: 12).

This comment, like the approach in general, overstates the market characteristics of the relationship, suggesting that policy is ultimately weak and secondary. This is not a view accepted by the institutional economics. If however, industrial organisation is fully contextualised according to the 'rules of the game' - the government's legislative environment and government action directed as part of the structure, conduct and performance of industry
- the benefits in applying this approach can become more evident (Caves et al 1987: 156). This includes the prospect of applying a dynamic model to the market, where policy is not overwhelmed by economic concerns, but converges with the cultural forces which concerned Veblen's theories. By refining this approach in this way, it takes account of the challenges posed by oligopolistic behaviour by international corporations, which need to adopt their interests into some sort of alignment with national cultural practices. According to the definition of oligopolies, such firms seek to constantly expand their 'mutual market dependence' in order to consolidate their interests and reduce the likelihood of market competition (Caves 1971: 1-2). Sensitivity to market behaviour, as part of an approach to industry policy activity, is part of the framework for this study.

By contextualising industry policy as part of a prospective set of activities undertaken by government, it is possible to position policy within a social framework, while building on the existing structure-conduct-performance trinity. It opens the door for an investigation of policy that is not dominated by economic and industry issues to the detriment of broader social and cultural issues (Walker 1982: 95).

My concern in this chapter has been to cast a wide net over some of the industry policy issues that will surface in later sections of the thesis, using cultural industries as a starting point. I have however concentrated on industry policy issues, rather than cultural. In particular, it is important to reiterate the point made earlier, that commodification drives the concentration of industry structures as production and consumption increases, creating the need for governments to promote industrial organisation by intervention, regulation and developmental support. Failure by governments to include industry policy in the context of a broader set of social objectives, may reduce structure-conduct and performance
of the market as well as more general policy objectives described by public interest theory (Solo 1984). Alternatively, concern for the balance of policies flowing from industry organisation principles can help build cultural formations that achieve economic objectives. The policy moment as it affected industry and music culture in Australian was part of this broader picture. In the next chapter I will present a theory of the relationship between the industrial, cultural and social policy concerns which reveals how industry and music culture can be brought into alignment.
Chapter 5

Popular music policy formulation: a theory

In the previous three chapters of this section, I have selectively reviewed the literature that is relevant to the theory building process. In examining Thorstein Veblen's work in detail, I identified culturalism as the contribution Veblen and institutional economics can make to a popular music policy study. Veblen's emphasis on the relationship between the machine process of industry and a nation's culture, provide the conceptual modelling tool on which this chapter is based. The challenge for government and policy makers is to establish social provisioning objectives. In chapter 3 I considered the primary role of social policy as the motor driving other policy activities in a social democracy-mixed economy. In discussing industry policy I summarised the discourses that contested for space and dominance during the years the ALP was in power from 1982-1996.

In this chapter I will conclude this contextualising section by proposing a theory that brings together some of the ideas and propositions put in the preceding chapters. The purpose of this chapter therefore, is twofold. Firstly, it indicates how the theory flows from the earlier material, to build on conceptual tools provided by writers such as Marx, Baudrillard, Debord and Hall, all of whom struggled in a variety of ways with the marriage of industry, economy and culture, which have been adequately mapped by institutional economics and culturalism. Secondly, the theory provides the apparatus on which the case study proceeds. It is a theory that I have named the popular music policy formulation. In particular, the theory further defines the investigation of the processes underlying the political economy of popular music policy and refines the construction of the research question in its alignment with the concept of the epistemology of production.
Cultural industries

As I noted in the previous chapter, the convergence of culture and industry is recognised as the cultural industries. In Australia it is mediated by direct government activity - infrastructure funding, subsidies and grants - variously based on policy intentions endorsed by governments of all political persuasions. In describing the points at which the fields of culture and industry intersect it is possible to trace their conjunctions and how commodification occurs within that process. This chapter reiterates the point made earlier that the commodification of culture characterises the relationship between culture, industry and policy in the Australian context.

Perhaps the most instructive means of informing the theory is to use an example from the ALP's Federal Government cultural policy rhetoric of the early 1990s. The most profound official statement announcing the conjunction of culture and industry appeared in The Role of the Commonwealth in Australia's Cultural Development: A Discussion Paper, released in April 1992, which was followed up by the government's official cultural policy document, Creative Nation. Appearing at the end of the decade under review, the timing of the release of the discussion paper suggests that it had taken 10 years for the government's economic reforms to make an explicit impact in the arts (Anderson 1992). The document cast a wide net over the prospects for the future involvement of the Commonwealth Government in culture, in particular the challenge of increasing demands for arts subsidy in the context of discussion about an intensified approach to industrial development and reform. The publication broke the discussion into five guiding principles of cultural policy: Access and Participation, Creativity and Excellence, Diversity, Valuing our Heritage, A Viable Industry. These arbitrary categories create difficulties of their own, which will not be considered here in detail.
It was the final category - A Viable Industry - that is most relevant to this discussion. It reflected a shift from a rhetoric of 'the arts' with a focus on 'excellence' and personal and social uplift and improvement due to state subsidy, to something less familiar to the established interests of cultural activists: industry. For example, in introducing the industry discussion the publication noted:

The cultural industry contributes significantly to Australia's social and economic well-being. The Government seeks to foster conditions favourable to the development of a vigorous cultural industry (1992: 6).

The document continued by linking industry and policy in the cultural area, and signalled the change with perhaps a streak of economic determinism:

In pursuing its cultural objectives, the Commonwealth's requirements for efficiency, effectiveness and accountability are the same as those applying in other areas of public expenditure (1992:6).

Sensitivity to the way in which culture and industry are linked within the evolving economic framework of contemporary Australian society can enrich the explanation of the relationships between culture, industry and policy, generating what Garnham called 'a model of historical development' (1990: 77). This can serve to assist the task of identifying realignments across sectors of society which can be part of a 'liberating and intellectually justifiable' analysis (McQuail 1983: 46). By identifying the constitutive elements of the equation - linking culture, industry and policy in the context of the popular music industry - features of the epistemology of production in contemporary Australia can be further refined.

In the following discussion I will apply articulation theory to move from the basic propositions encountered in cultural industries to the specifics of popular music policy. I propose to use the theory to expose the cultural
industry relationships and their linkages and in so doing 'account for all the cases used' (Bourdieu 1977: 11). I define this systematic arrangement as organic, in the way in which Veblen used the term - evolutionary and located around communities of interest. In attempting to describe an organic totality of the systematic arrangements, it is necessary to identify economy and its national industry and social policy formations as aspects of the whole. However, it is equally necessary to recognise that there will be features of the system which cannot be fully enunciated because they can be examined as 'independent elements' (Angus 1992: 560). This approach borrows from systems theory, which has been appropriated in some institutional economics work, such as Hodgson's essay, 'Economics and systems theory' (1992). In the next section I examine culture as commodity as the first step to building a political economy system.

The political economy commodity

The most comprehensive and influential examination of the commodity form was undertaken by Marx, who began Capital with a detailed examination of commodities and evolutionary capitalism. He suggested that the commodity was 'something two-fold, both objects of utility, and, at the same time, depositories of value' (1978: 54). He placed all commodities in a relationship with labour, by which they were valued. This 'labour theory of value' is no longer the determining factor in establishing the market or exchange value of commodities, yet it paved the way for a critical tradition of political economy, by exclusively linking wage rates to the ability of workers to purchase products. Concepts such as the social wage, symbolic value and welfare, have identified the limitations of simplistic equations of wage rates to purchasing power. Nevertheless, some Marxist approaches have viewed the market economy's domination of social life by wage rates as evidence of the 'subordination of production to exchange' (Cohen 1978: 302). As a result, an element of desperation can be evoked in the quest for a
return to simpler - non market - values, which as Veblen showed, do not simply appear as convenient barriers to halt the evolutionary progression of the machine process. As I will show, my reading of the commodity form in the Australian context need not be reduced to a level of defeatism about the influence of the market.

I recognise that the cultural industries are a commodified form of social life, of which the popular music industry is a featured participant. As I noted earlier, Frith has characterised this as industrialisation, and helpfully identified a common criticism of the process as representing:

a shift from active musical production to passive pop consumption, the decline of folk or community or subcultural traditions and a general musical deskilling...What such arguments assume ... is that there is some essential human activity, music making, which has been colonised by commerce (1987: 54 cited in Lull).

The critiques of industrialisation which Frith rejects have sought to present music as an ideal, or pure form of expression dirtied by commodification and engagement with the market. For example, an account of music as commodity, suggests that market forces are 'value-neutral, levelling ... forces that quite often impair artistic integrity and imagination and replace these diminished properties with conformity to standards set by the market rather than the musician' (Hammond 1992: 101). Furthermore, notions of conformity and impairment invoke an implicit critique of 'pop' music (as opposed to popular music), which is inadequate to deal with the variety of ideas presented in contemporary music (Street 1986). As I indicated earlier, commodification involves a number of readings, including a process of transformation rather than spontaneous cooptation by the market. The linkage between the transforming process of the commodification of culture by industry is the basis on which this discussion proceeds. Furthermore, it proceeds in the knowledge that John Commons, one of the founders of institutional economics,
noted in his key text, *Legal Foundations of Capitalism*, that economic theory began with the examination of 'a Commodity... then shifted to a Feeling, in order to explain a Transaction which is its practical problem (sic, 1968:5). It continues to be a problem that theory building seeks to solve.

Primarily, the term commodity requires further consideration. At this point I want to reiterate the unstable nature of most definitions of commodity. For example, Milgate has proposed a broad interpretation. He noted the difficulty in finding an all-encompassing definition and suggested that economics as a discipline could be defined as the struggle 'about what it is in the nature of things which are daily exchanged on markets that gives rise to exchangeable values' (1988: 546). He suggests that a commodity is 'a thing produced for use or sale, an article of commerce, an object of trade' (1988: 546). The question to then ask is what, if any, are the essential properties of things exchanged in the market economy? A question relevant to my theory, which Milgate evades, is the processual one: What is the process whereby exchangeable value occurs?

One way of pursuing these questions is to identify two conditions which are inherent within the commodity: the 'objective conditions' of the actual object and the 'subjective conditions', or the object's ascribed characteristics (Milgate 1987: 549). The subjective conditions, or intangibles, may best be described as the utility of the commodity, which can be defined by its capacity to meet the needs of the individual, whose needs, it is generally agreed, are socially determined: indeed, economic literature defines this 'scale of needs' as 'The Veblen effect' (Matyas 1985: 43). These qualities of a commodity give it meaning, sense and purpose, when the range of meanings about its form is seen to oscillate.
within a discourse that incorporates a broad range of meanings (see for example Peck 1993)^1.

As noted earlier, the political economy approach applied here pursues a theory of change. In applying this approach, commodification operates at the conjunction of the economic, social and the cultural, mediated by policy concerns over time. (Inevitably one or all of the constituent parts of the equation are changing). The transforming process whereby music culture is commodified is complex. To simplify my explanation I will assign exchange value as the predominant economic signifier and use value as the significant social signifier. It involves establishing the exchange or market value of a cultural item, such as a song, when the initial appeal of the object is its use value, or utility. While the exchange value may be readily identified by noting the market price of an item, the use value is considerably more difficult to measure. And yet the defining characteristic of industry is its ability to create an exchange value within markets while maintaining the appeal of the use value, preferably on a global scale (Appaduri 1986).

The difficult question is how to assess culture in the light of industrialisation. Is the commodification of culture a means to its debasement? This is Frith's argument against popular music historians telling the 'same sorry tale' of the loss of music's inherent qualities when brought into contact with industrialisation (1987: 54). Yet the question should still be asked: is culture threatened by its incorporation into the economy, or stimulated to expand? One means of comprehending the ambivalence of the popular music historians, is to recognise the ubiquity of the market, as 'an organising principle of social life', where the market is the

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^1 I am not proposing to enter into an extensive critique of neo-classical economics. I will however, draw attention to two major flaws in the neo-classical approach. Firstly, neo-classical economic theory fails because of its emphasis on prices within the market, although it can claim some effectiveness in solving 'concrete economic problems' (Howard, King 1975: 256). Generally however, it fails to 'present a consistent or integrated model of the economic system' (Heilbroner 1980: 491).
facilitator for the circulation of cultural production (Wernick 1991: viii). This is a positive relationship, rather than implicitly negative. Yet it is a tightrope balancing act involving the power of the market to act on culture and the social processes attending popular music, which can be identified as the distinctive and central Marxist problematic, defined by the base-superstructure model (Jameson 1990: 46). At this point the culturalism of institutional economics identifies the evolutionary nature of corporate capitalism, differentiating the industrial from the cultural manifestations.

In the theory building I am undertaking, I recognise the Marxist heritage in describing the base-superstructure model, while moving to implement other tools provided by institutional economics. Interestingly, and without reference to Veblen and institutional economics, cultural studies has drawn on concepts of the convergence of industrial and cultural evolution. Stuart Hall’s work in the English cultural studies tradition, established by Raymond Williams and the Birmingham Centre for Contemporary Cultural Studies, among others, suggested that the movement of popular expression into the industrial complex involved an 'articulation' or movement marked by refusal and capitulation, subordination and domination, pure autonomy or total encapsulation (1981: 233-135). He described this as a constant motion, involving 'the dialectic of cultural struggle', where 'the relations of power' were part of the process of linking industry and power (1981: 233-234). Later, he refined his definition to incorporate ideology, in which the features I am appropriating appear as part of the methodology of articulation theory building. Here Hall noted:

An articulation is thus the form of the connection that can make a unity of two different elements under certain conditions. It is a linkage which is not necessarily determined, absolute and essential for all time...Thus a theory of articulation is both a way of understanding how ideological elements come, under certain conditions, to
cohere together within a discourse, and a way of asking how they do or do not become articulated, at specific conjunctions, to certain political subjects (Italics in original, 1986: 53).

Articulation allows the incorporation of the elements of political economy within one discourse, where the attributes of the elements are defined, not only as two different elements, as Hall suggested, but whichever ones are relevant to the process. Hall's definition suggests, as he put it, 'a horizon towards open-ended theorisation' (1986: 60). More recently, aspects of articulation have been taken up by Middleton (1990), Straw (1991) and Grossberg (1992) as a means of explaining popular music processes. In my case I am using articulation to theorise the shift from the previously suggested relationship between the base of economic and industrial activity and the superstructure of cultural activity, into a symbiotic relationship in interdependence.

As I noted earlier, my approach proposes an organic totality, where forces within the system are identified as operating within an agreed context, or according to a 'theme' (Angus 1992: 541). In keeping with Hall's definition, they may be examined according to certain conditions and conjunctions. Exchange value is therefore observed in its own right and then in relation to use value. Use value is considered independently, then in relation to exchange value. These characteristics of the cultural commodity are also considered in relation to their linkages with policy and the force inherent in each element. However, policy is not restricted to government policy. It can also be used as an umbrella term to describe the strategies of firms and corporations, such as record companies. According to Grossberg's definition, 'the mode of articulation, the nature of that fit' between forces incorporates 'the interlocking context in which (the articulations) are possible' (1992:56). I am using the process of commodification to draw the various
elements in the system together. A refinement of the way in which the commodification context is conceptualised to enable the articulations to take place is considered in the next section.

Transcendent exchange - two theorists

In this section I will use the term transcendent exchange to explain the way in which culture is commodified and thereby articulated to the exchange value of industry. The changes that take place are identified as part of the organic system of relationships. My argument is that by recognising the process whereby the system of articulations occurs, the organic characteristics of the cultural and industrial formations can be explained (Straw 1991: 369). This relationship is then extended to produce the theory I have termed the popular music policy formulation.

My starting point is French post-structuralist Jean Baudrillard and his study, Towards A Critique of the Political Economy of the Sign (1981). This work and Simulations (1983), its sister publication, developed from Baudrillard's semiotic and sociological interests which attempted a theoretical explanation of contemporary political economy. What Baudrillard proposed was a general theory of the signs and symbols of contemporary capitalism and how they express social and economic relations. (McQuail 1983: 130-134). He maintained that all objects are carriers of indexed social signification which 'constitutes a code' (1981: 37). He insisted that contemporary political economy is dominated by fashion where codes circulate according to a structure and a logic which is dominated by the exchange value of the market.

Baudrillard's focus on the dominance of exchange value draws attention to Marx and classical economy, although Baudrillard's strategy is to establish the ideological nature of political economy, without the materialist Marx's base. Baudrillard's case is that all objects are
equivalent and capable of being exchanged in the arbitrary creation of socially produced signs, values and relations in the market (1983: 79).

All objects are equivalent, he argues, because they are always in a similar relationship within a process. This process is the one where the exchange value and the use value are united within a code of significance as commodities, or what Baudrillard calls 'systematic abstraction' (1981: 131). The result of the equivalent relationship is that a 'code of equivalence' or 'a code of abstract equivalence of objects and subjects', 'constitute commodity fetishism' (1981: 85). Baudrillard claimed that exchange value and use value are created simultaneously and as such are mutually inclusive (1981:143). Yet, in a shift of emphasis, he also claims that ultimately, everything is overwhelmed by exchange value (1981: 87). Equivalence (of values) within the dominant exchange value mechanism is the end point of contemporary commodification.

Baudrillard's emphasis on the relationship between use and exchange value is helpful for the study of the commodity and culture. Yet the ultimate outcome of his position is pessimistic and untenable, because he evades the issue of the constant struggle between use value and exchange value. Baudrillard's work suggests that symbolic market exchange is what drives contemporary society, although it is clear that material life and the stresses brought about by social interaction continue more chaotically (D'Amico, 1978: 100). It is unlikely that culture or use value can only be defined by the market, in a sort of formal statement of predictability. Culture, because of its inherent social characteristics is always generating new avenues of expression and meaning, which can be sites for contestation\(^2\). Indeed, the market is in a perpetual game of

\(^2\) For example, the following assertion is indicative: 'Just as the music industry cannot fully anticipate how its products will be received, so too a fixed socio-economic analysis cannot fully account for the popular taste of consumer groups, many of whom "misbehave" in the choice of their musical tastes, a
catch up with use value, as human and social needs surpass the ability of the market to supply these needs. Alternatively, the market transforms itself to accommodate the demands of use value, articulating itself via whatever methods are available in order to commodify cultural practice. As I noted earlier in this chapter, mapping this progression of resistance and cooptation by the market is a feature of the on-going project of cultural studies (Jones 1982).

Baudrillard's theory offers signposts for more detailed examination of commodification. It has been influential in discussions of postmodernity and its concept of the collapse of meaning. For example, Baudrillard's 'theory of intertextuality' merges the text of the market with the text of culture and 'recognises only apocalyptic, thus singular rupture' (Morris, 1992: 21). Everything, says Baudrillard, is reduced by the media to a symbol, and ultimately leads to simulation: where distinctions and difference evaporate, to become virtual pronouncements of the victory of the market place. The end point in the simulation model is resignation to the overwhelming power of exchange value. Nothing can be distinguished as real any more, as the market merely reproduces copies of a long forgotten original (Jameson, 1984). Baudrillard conflates, as Grossberg has noted 'multiple and complex sites of power' which are not reduced to simulation in actuality quite as readily as Baudrillard suggests (1986: 74).

Another view of exchange value dominance was been proposed by Debord, who proclaimed the pre-eminence of the market in Society of the Spectacle (1983). He assiduously pursued a Hegelian dialectical approach to the commodity, suggesting that the use value and exchange value were united in the spectacle of contemporary capitalism.

delinquent practice that surfaced most visibly with the appearance, in the mid-fifties, of a "youth culture" whose generational identity was organised around its willingness to cut across class-coded and color-coded musical tastes' (Ross 1989: 77).
The society which rests on modern industry is not accidentally or superficially spectacular. It is fundamentally spectacle. In the spectacle, which is the image of the ruling economy, the goal is nothing, development everything. The spectacle aims at nothing other than itself (1983: 3).

The way forward for the revolutionary Debord was by fully endorsing the spectacle's historical dynamism in the hope that it would synthesise into a definitive end point of 'negation', where the market was incapable of functioning (1983: 191).

More recently, Debord reworked his thesis, suggesting that industrial capitalism is coordinated by a repressive state intent on denying individual freedom, where human activity is 'falsified' by the spectacle (1990: 10). This extreme reading of the overpowering causality of exchange value ('the autocratic reign of the market economy', 1990: 2) fails to recognise the wide ranging adaptations of use value in human society. Unhelpfully, Debord opts for a despair which he hopes will produce revolutionary outcomes precisely because the negation of life by the spectacular (thesis) must generate a reaction (antithesis).

Despite reservations about both Baudrillard's and Debord's work, their contribution to the study of the commodity emphasise the transforming power of production. Baudrillard by emphasising the symbolic nature of commodities, Debord by emphasising the place of the commodity within a spectacular economy. Both writers generate theoretical political economy frameworks which acknowledge the primacy of the market's commodity process.

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3 Greil Marcus has used Debord's work for his study of the Sex Pistols and their relationship with the Dadaist art movement in the 1920s-1930s Germany. He also suggested that Michael Jackson's *Thriller* album was an example of pop music's ability for full engagement with Debord's reading of 'spectacle' - where 'form and content, object and commodity and consumer were one' (1989: 105).

4 See for example, the reworking of a Marxist concept of commodity fetishism with Freud's notion of the fetish, when critiqued by a feminist reading of Hollywood's film spectacle (Mulvey 1993).
My point of emphasis is the transformation of the object which, in becoming a commodity, transcends its original form. The nature of the object's cultural and social-use value is exchanged, then amalgamated with exchange value to find equivalence in the market. For example, a song may provide solace and comfort, while it is also a means to creating wealth when sold as a recording. Culture, as use value, enters a transcendent exchange, by means of a 'double movement' (Hall 1981). This process of transformation, whereby the cultural commodity contains all the attributes of both the exchange and the use value can be unbundled or deconstructed, as suggested earlier by recourse to articulation theory. This method assumes that there is a logic within the transformation process. This logic is not apocalyptic, defeatist and unbreachable, as the work of Baudrillard and Debord suggests. Neither is it a situation where everyday life 'ceases to be a subject', becoming instead a living object (Lefebvre 1971: 59-60).

As culture becomes commodity it is in effect transforming itself in ways that regenerate and invigorate it, as it becomes an object of social organisation. This is its power and where it derives its life.

Furthermore, the commodity is dynamic, moving in a production-reproduction loop or 'feedback' (Lefebvre 1971: 32,35). As it moves through the loop, the commodity's form changes. A practical description of such shifts has been provided by Gill, who suggests that the modern consumer:

> not only goes to the market for the material means to live, but who finds there a world of images and meanings

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5 A strong tradition, perhaps stretching into the Judeo-Christian philosophy of ascension in relationship to spiritual and moral uplift is part of the history of 'transcendence'. It is a word common to idealist and romantic writers and artists. For example, the summation of Antonin Artaud, in Theatre of Cruelty: "Whether they admit it or not, whether a conscious or unconscious act, at heart audiences are searching for a poetic state of mind, a transcendent condition by means of love, crime, drugs, war or insurrection".

6 The debt to Marx in this formulation can be seen in the following: 'not only is production immediately consumption and consumption immediately production, not only is production a means for consumption and consumption the aim of production...but also, each of them...creates the other in completing itself and creates itself as the other' (Grundrisse 1973: 93).

7 Debord suggests that the loss of a Hegelian 'circular system' has taken place, creating the dominant 'mechanical development' of 'economy's movement', which he calls 'the untranscended heritage' left by Marx's commitment to economic theory (1983: 76).
manufactured by the advertising industry; from this abstracted realm of the market the consumer draws the materials (commodities plus images) from which to build a life style (1991: 42).

As a term, transcendence has been used in political economy, yet has an uncertain history. Marx used it to describe the 'mystical character' of commodities, which he suggested contained 'grotesque ideas' (1978: 76). In its 1990s form, the commodity moves and changes with apparent ease. Transcendence is used then, to explain the transformation process that continually occurs in the creation of a cultural product. It is the shift that occurs because of the pre-eminence of the market economy.

To understand transcendent exchange - the change in the product - it is necessary to maintain the holistic logic of the model, the organic totality of the commodification process. At every major conjunction in the process, the product must be able to move beyond existing boundaries. In making the move it incorporates new conditions within its form which challenge and endorse its pre-existing form while adding to it. A product's form therefore becomes increasingly 'heavy' with exchange and use value conditions, as it moves through the process.

Take for example, a recorded song which fails to find an audience. This inability reflects, in part, the inability of the corporation (or firm) to transform the song into a commodity. To do this, the corporation must maintain the cultural sense of the song. Otherwise, when it is presented to its audience it risks losing its integrity, or use value. This 'utility' may be overwhelmed by the exchange value, due to unrealistic expectations by the record company to have a hit record, forgetting that the musical integrity of the song may need to be paramount for it to find an audience. Indeed, popular culture can be defined as 'information already processed', which makes the relationship of the song (product) with its creator
and the audience, the key feature of its life (Brennan 1994: 672). This is the critical point of transcendent exchange, and leads to the question: How are the use values of a commodity maintained? This is the central question for cultural studies and even economics, in that it exposes the ideology of the articulation, namely the powerful influence of the market and its confrontation with culture.

As the popular music policy formulation diagram suggests, the transcendent exchange process encapsulates the exchange and use values of the cultural commodity. This is the ideal form of the commodity: it can give birth to both forms of value simultaneously, as an expression of the prevailing ideology of the entire system of relationships in which the commodity lives. (See Figure 1). However, the 'actual' meanings of value are heavily weighted according to which interests they are aligned with. The corporation or firm prefers that all its energies be placed on returning maximum profit from the commodity which it will accumulate to create capital and thereby expansion. Therefore it values the exchange value highly. The consumer wants and uses the commodity to meet specific personal and social needs. Therefore it values the use value highly. These needs are further regulated and 'weighted' by government policy, which appears in the model as a necessary part of the whole.
Figure 1

Popular music policy formulation
Policy as mediator

Government policy intercedes and mediates the commodity formation at the site of exchange value and use value, using industry and social policy, amongst others. Policy involves the rhetorical and practical governance of national and corporate economies.

To return to Baudrillard and Debord, culture could be subsumed under commercial exchange value imperatives without due regard for everyday life, if policy were not to police the relationship. In this scenario, national culture becomes an undifferentiated reproductive tool within the global capitalist economy. Alternatively, an 'anti-statist' view maintains that the natural order of things, in a non-interventionary, libertarian market economy, would be free of policy police. The metaphor of policy as police has been termed 'governmentalization' and has been intensively studied by Foucault and used by other writers (Bennett 1992: 27). In general, policy intercedes, says Foucault 'to foster the citizen's life and the state's strength' (in Bennett 1992: 27). According to this definition, government policy completes the contemporary formulation of political economy by acknowledging the responsibilities of government to the dual constituencies of the citizenry and the state.

Policy polices in the public interest, at least as far as it can negotiate to maintain citizens' interests. The state will generate social provisions as part of a negotiated set of responsibilities its citizens - represented by a complex of agencies and representatives - demand. An extension of this set of responsibilities is the state's activity in enhancing the conditions for industrial development. Policy is therefore, part of the total system, which has been called 'the problematic of government in general' (Foucault 1991: 88). This includes the pushes and pulls of use value and exchange value and

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8 See for example Cunningham's (1992) interpretation of Docker's views on television regulation.
the transformations outlined above on transcendent exchange. The policy formulation theory indicates the way in which government policy mediates the extremes (or 'pure' characteristics) of exchange value and use value.

At another level, corporate policy is also part of the internal logic of the commodity transformations. It effects the operation of the system, as it is fundamental to the manufacture and distribution of cultural commodities. It is responsive to and collaborates with government policy, often in an osmotic sense. Government and corporate policy alliance is generally referred to as 'corporatism', which can be seen to flourish as exchange value interests are advocated, then bargained for, as the primary means of valuing products (see for example the Meanjin interview with Stuart Hall, 1983: 197-198). The value of institutional economics, as I have noted in the earlier chapter, is derived from its ability to critique 'corporatism', in the light of culturalism. Alternatively, corporations may object to and resist government policy which exclusively promotes use value, if it is not deemed to be in the corporate interest of profitability and increased market share leading to market dominance. Corporate policy, and more generally institutional policies, are other forces that are considered as part of the entire mix of considerations in the system proposed by the popular music policy formulation theory (Cunningham 1992: 162).

Progressing this discussion may best be achieved by asking two questions about the location of policy in the overall structure. Firstly, having noted the position policy takes in the organic system, would it be possible for no policy intervention to occur in the commodity process? The libertarian position argues that it is. However, in the Australian context this is not the case. It is unlikely that any aspect of life can now occur outside of some policy activity. This includes taxation and copyright law, government subsidies and grants. In fact, it has been
argued that a 'national cultural infrastructure' attempts the difficult task of maintaining the interests of both use value and exchange value, in relation to Australian culture (Cunningham 1991: 17).

The second question or set of questions considers national identity in policy. Are there specific national attributes which could be promoted by policy? What characteristics of indigenous life may Australians want to police and how are these characteristics reflected in the policies of the nation state?

One answer is to return the emphasis to the systems approach and recognise that where exchange and use value share cohabitation, they are part of a continuing discourse, rather than individual elements. It is possible therefore, to view a cultural industry such as popular music as a double sided domain, where the balance of exchange and use values occurs in a volatile social environment (D'Amico 1978).

In a democracy such as Australia's there are numerous aspects of life that the government maintains through policy. The question here is: how do governments decide what to emphasise? If use value and exchange value are part of a dynamic equation, which side of the equation is given prominence? Appropriate answers to such questions could produce a version of what Foucault called 'the art of government' (1991: 91). That is, he suggested 'a continuity, in both an upwards and downwards direction', which could be taken here to refer to the cycle of relationships between exchange and use value (1991: 19).

The popular music policy formulation theory suggests, for the sake of convenience, that 'profit/capital' (exchange value) and 'social/personal' (use value) are influenced by policy, indeed are mediated by policy. As the feedback loop moves historically, policy-influenced producers determine the creation and dissemination of goods and
services, which are themselves the subject of policy activity. The Australian content quota is a convenient example. The requirement that Australian commercial radio stations broadcast 20 per cent Australian performed music after 1983 helped to stimulate the music industry in Australia. It did this by advancing the interests of Australian musicians and producers when Australian music was required to be played on radio, causing increased local demand, which promoted the manufacture and sale of those recordings (Counihan 1992). In mediating the relationship between cultural producers (cultural workers and their audiences) and industrial producers (manufacturers, retailers, record companies), a policy such as the local content one, has a protective and promotional purpose, speaking directly to the subjects (or consumers) who are seeking an engagement with the idea of Australia in popular music (Tetzlaff 1991: 9-33). In an environment where the market is skewed in favour of power and commodity supply, mechanisms that regulate and mediate what might be construed by government as the public and national interest, are endorsed. Policy facilitates these interests by supporting funding activities, by introducing legislative controls over the market economy to encourage 'competition', by organising dissemination of alternative forms of information, for example, via the public broadcasting system. This set of relationships within articulation theory recognises government policy as an adjusting mechanism for national industrial capitalism.

Lest this formulation be seen as a means of closure, it is necessary to reiterate the transforming and dynamic nature of the relationships. Once again, transcendent exchange helps. Transcendent exchange explains how culture may differ from other commodity forms. That is, it is not only a commodity bound by a market relationship, but forms part of a network of meanings. The range of meanings extends across the economic to the social and personal, and are present in the commodity form. As such, the commodity may incorporate a number of shades of meaning, some stemming
from the economic and some from the social and personal. These shades of meaning may be reinforced, even confused by the reproductive capacities of cultural forms, which cause them to intersect, as they are transmitted and conveyed in increasing numbers by refinements of broadcast technology. The history of the convergence of exchange and use value is directly related to the development of the commodity through mass production and circulation within local, regional, national and now global markets, as seen in broadcast dissemination via cable and satellite, and recording technology.

Cultural policies often reflect an attempt by national governments to restrict or control the market and promote indigenous cultural forms. This 'recuperation' by culture for culture is often manifest in national policy efforts. This could be defined as policy intervention. Ironically, policy may generate new cultural forms, while assisting existing ones. In doing so it may artificially regulate the market by stimulating forms of activity that the market itself would not originate or encourage producers to develop. For example public radio and television stations, specifically the ABC's national youth radio network Triple J encourages 'alternative' music that is later picked up by commercial radio, while also creating a market via its own targeted audience (Jonker 1992, Dickson Interview 1992). In such cases policy assists both the exchange and use value mechanisms, by advocating and supporting the public broadcasting sector which exposes, endorses and promotes Australian productions by broadcasting them. Audiences responses to such efforts will vary.

Notable cultural theorists have remarked that audiences and producers are not 'cultural dopes' (Hall 1981; Morris 1990). In other words, they will not knowingly submit to market logic alone. For its part, policy may provide a space in which aspects of culture's use value are maintained as commodification occurs. For example, support
for artist Les Gilbert to create an indigenous soundscape in a shopping centre such as Southgate in Melbourne reflects the concern of governments and designers to 'humanise' an otherwise ungainly concrete precinct (Hallett, 'Sound prophets go unheard at home', The Age, September 8, 1992: 23).

Smythe suggested that audiences may actively seek to remove themselves from the commodity relationship. They may do this after being commodified as 'audience markets'. In so doing they are 'consciously seeking uncommodified group relations' (1981: 123). Policy may have a role in assisting uncommodified activity by way of subsidy, thereby reducing the necessity of a product to increase its exchange value characteristics. More generally, the policy process assists the incorporation of apparently uncommodified activities into the market economy. This is a point of resistance by many, who see economy overwhelming everyday life. At another level again, policy may attempt to assist the globalisation of an economy, where the outcome is intended to be effective circulation of commodities in the international economy - a process which is mostly facilitated by the national anonymity of the commodity.

The commodity form of culture is universal and local, highly nuanced and may or may not move beyond set boundaries. For example, a song about Australian bush life may be commodified - given certain conditions - only in Australia, because Australians respond to the context and musical style of the song and accompanying music and buy recordings of such music. This could be termed the local market conditions, which is determined by national use value considerations. Conversely, if a song can be torn

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9 This process has been well illustrated by Meaghan Morris in her essay Great Moments in Social Climbing: King Kong and the Human Fly (1992).
10 For an extended consideration of this issue and the requirement for an appropriate theory as it relates to pop music see Andrew Goodwin, 'Popular Music and Postmodern Theory', Cultural Studies, vol 5, no 2, 1991, pp 174-191.
from its national context and placed into a generally recognised genre, it can be globally sold and marketed on the basis of the accepted genre, which is determined by global use value considerations. Government policy, acting in the economic and social interests of the population may seek to guarantee that the international or global generic forms do not deny the national forms (Turner 1992: 649). Alternatively, it may seek to enhance the prospects for national forms in the international market. In summary, a cultural policy focus has four objectives: the economic interests of the nation; maintenance of a nationally differentiated cultural life; expression of national identity; and to 'value add' to cultural product for the international, or global market. All four objectives can be achieved by recognising the commodification of cultural production in the global industrial market.

Limitations

In proposing and describing the theory of popular music policy formulation it is constructive to recognise the limitations of some of the concepts I have used in building the theory. These limitations will become more obvious points of reference during aspects of the case studies. I have identified five: neo-classical market pre-eminence; social policy foils; industry policy miscalculations; relative power interests; ignorance.

1) Commodification has principally been conceived as being about the relationship of the market to products and consumers. However, the market and its ideology are not easily articulated to social and cultural needs because the market is encouraged to transcend social sensibility, in a thoughtless ploy for monetary advantage by vested interests. Quantitative economic measurement encourages the fetish of market value. Alternatively, subjective needs within the discourse associated with use value is difficult to measure and open to interpretation, which discredits its currency in the face of commodity measurement techniques. (Frow 1995: 131-169).
2) In the social democracy-mixed economy model, social policy objectives may not succeed in finding a place within the commodification process. This may occur when social policy is locked out of the system due to lack of adequate promotion, advocacy or action by Government and social policy activists.

3) Industry policy may not find its moment in the entire process of commodification due to an inappropriate level -too high or too low - of intervention, support or subsidy.

4) From an explicitly popular music policy perspective, 'relative power' limitations arise when the elements (or 'entities') operating within the system fail to recognise the articulations with each other within the system (Garofalo 1987: 79). As Garofalo indicated, artists, record companies, audiences, the music itself and in my approach policy interests, need to coincide.

5) Ignorance includes the inability of policy makers, governments, industry and the public to recognise the systematic evolutionary nature of the commodification that articulates industry, culture and policy, as suggested by the culturalism of institutional economics and the popular music policy formulation theory.

**Conclusion**

In this chapter I have discussed articulation theory and the popular music policy formulation. This approach provides an overview of the commodification imperative and its relationship to the issues raised by institutional economics and social and industry policy. Specifically, the model places policy within the logic of the exchange value-use value relationship.

I have argued that culture and industry need to be discussed as part of an organic totality. This approach
helps circumvent the prospect of bouncing back and forth between the cultural, the economic and the industrial. By recognising and acknowledging the commodification of culture, it is possible to move beyond some of the attenuated debates about culture and view it as part of the present and future life of the political economy of the nation and plan accordingly in a 'managed economy' (Hart 1992).

Popular music production can be assessed in the light of the importance of the relationship between cultural values and market values as institutional economics suggests. The systematic process I propose in the popular music policy formulation theory helps in making judgements about which cultural activities should rely on the market and which on government subsidy or a mix of both. This approach accepts implicitly that culture has not been debased by its transformation to a commodity form. Instead, popular music commodification can be seen as part of the transforming pattern of life in a market economy. Furthermore, many of the difficulties associated with a discussion of the music industry can be eased by raising the policy focus within the context of commodity forms.

In the following selective case studies I will apply articulation theory, showing how attempts at introducing social and industry policies were made. Beginning with the next section, I will examine how Labor Party rhetoric influenced policy's articulations with industry, popular music culture and social policy objectives. I will then move on to apply the theory to a range of contexts in which Labor Party Governments in the State of Victoria and Federally attempted to develop and implement popular music policies.
Part 2
Section 3: Popular music policy rhetoric

Chapter 6

Mapping New Music Policies

In this chapter I will outline the issues involved in social, cultural and industry policy which influenced the popular music policy initiatives introduced late in the 1980s. I will indicate how policy objectives associated with youth and music made uncertain steps towards the formation of the policies. I will also indicate how these objectives were taken up at a later stage by ALP activists and politicians and projected into a rhetorical space, from which they were then moulded into detailed form.

In searching for an epistemology of production within the popular music policy developments under review, the popular music policy formation detailed in the last chapter assists in recognising the shift from music production as an activity dominated by privately-owned record companies to the public space mediated by government policy. As I have noted, ALP policy can be seen to operate from the ideological assumptions of the social democracy-mixed economy model. The shift in priorities whereby the government introduced industry policies was prefigured by Veblen when he noted how national policies evolved as part of a machine process to produce a 'cultural scheme' (1958: 177). Such a scheme, argued Veblen, was to solve the 'social problem' brought about by the inevitable conflict of institutions, where cultural forces (ie 'solicitous, palliative and charity-based efforts at promoting cultural heritage') and business principles collide (1958: 177). Veblen's reading of the problem was as follows:

The question of neutralizing the untoward effects of the machine discipline resolves itself into a question as to the cultural work and consequences of business enterprise, and of the cultural value of business principles in so far as they guide such human endeavour as lies outside the
range of business enterprise proper. It is not a question of what ought to be done, but of what is the course laid out by business principles; the discretion rests with the business men, not with the moralists, and the business men's discretion is bounded by the exigencies of business enterprise. Even the business men cannot allow themselves to play fast and loose with business principles in response to a call from humanitarian motives. The question therefore remains, on the whole, a question of what the business men may be expected to do for cultural growth on the motive of profits (1958: 179-180).

The music policy case study that follows indicates a reversal of Veblen's theorised scenario. Australian Governments sought to intervene in the activities of the existing (music) business machine process, rather than being driven from it by the intensification of the business enterprise. However, the precise nature of the intervention was uncoordinated, weak and passive. In this respect it shared with other sectors of the established industry a longstanding approach to policy, which had become so entrenched it is considered by some writers to have become a 'tradition' which 'did not develop from a coherent plan for the management of a diverse communication industry' (Seaton 1978:297). Then, in 1990, a full inquiry into the music industry and its structures took place in the form of the Prices Surveillance Authority's Inquiry Into the Prices of Sound Recordings. The impact of this intervention was so profound that it continued as a focal point for Commonwealth Government policy after the ALP lost the March 2, 1996 Federal election to the conservative Liberal-National Party coalition. 'Time's up for the CD cartel', chirped the Australian Financial Review editorial, calling for the 1990 recommendations to be reintroduced, just five weeks after the change of government (April 10: 1996).

The PSA inquiry marked the consolidation of government involvement in cultural activities in Australia, although it was too little too late. Nevertheless, the inquiry
marked the beginning of a new era for Australian popular music, where government intervention in cultural activities offered a new and challenging discourse, which became formalised in the academy as cultural policy studies (Cunningham 1992, Hawkins 1993). As the editor of Australian Rolling Stone put it: 'This long and complex inquiry has amounted to a complete examination of the Australian music industry. It has so far succeeded in uniting the industry as never before and forcing what has essentially been a maverick business to take a close look at its relationship to government' (Creswell 1990 Yearbook: 10).

It was a shift that came at the end of a historical progression of incremental governmental involvement in the uncertain terrain of the industrial organisation of culture. Here, 'organised production for a market' brought the arts into alignment with the economy (Wilson 1987: 58). This included the introduction of an 'arts as industry model' which occurred at around the same time (Anderson 1992). Here, the arts were portrayed as essential to the functioning of an industrialised Australia, rather than as an adjunct to industry. This was a view initiated in Australia by Throsby and Withers in their groundbreaking work, The Economics of the Performing Arts (1979). However, a close reading of their work suggests that they were concerned with broadening the scope of traditional conceptions of economics, rather than industrialising arts. They sought to include the performing arts as part of the spectrum of interests incorporated into mainstream economics at the end of the 1970s and to expand the 'discipline of economics' into 'social and political activities, including artistic ones' (1979: 2). Interestingly, by 1994, part of what had been foreshadowed by Throsby and Withers appeared formally in the Commonwealth Government's arts policy statement, Creative Nation: 'most Australians would agree on the need to enhance and enrich our culture. To achieve this cultural
policy must enter the mainstream of federal policy making' (1994: 1).

This point had been emerging since the 1980s, when the arts were explicitly expected to contribute to the social development of the country, promoted by government rhetoric as: 'the greatest civilising and humanising force in our lives', according to the McLeay Report, was the broad ranging inquiry into arts funding, which I shall examine in chapter 10 (1986: 26). Conversely, the arts were being pushed to find a location within the existing economy, producing a struggle over the idea of a self-funding, business-oriented arts sector, which had been raised by the 1977 Commonwealth Government Parliamentary Paper 290, Assistance to the Performing Arts: Industries Assistance Commission Report. The popular music industry was uncomfortably located somewhere between the arts and debates about government subsidy and self righteous claims to its own industrial competence and independence from government support. However, the conjunction of industrialising interests and policy in the cultural policy field in the 1980s can be viewed as a predictable evolutionary movement in the development of Australian capitalism and the increasing intensification of the market across almost all aspects of cultural production. These changes can be viewed from a national cultural studies perspective. As Turner suggested: 'If we are going to deal with Australian music as a national form, the most defensible way to do so is through its industrial structures and practices' (1992: 14). The emerging ingredient was the role of policy as a mechanism for incorporating government economic objectives into the cultural sector.

This point has been shown in another study of a related cultural sector. Hawkins has indicated in her case study of the Community Arts Program of the Australia Council, how the discourse surrounding those arts passed through several stages of intense contestation, finally generating 'an
alternative theory of community arts' (1993: 157). This marked a shift from a conservative reading of the dualism of public arts funding to meet either the needs of the disadvantaged, or service the cultural needs of those expecting 'excellence' (1993: 156). Hawkins found that the alternative theory implied a 'potential to foster cultural practices, that raised consciousness, affirmed identity and generated "community"' (1993: 157). She also recognised a shift in the economy associated with traditional, publicly funded dependent community arts. My research on community music, reported in later chapters confirms Hawkins's research, identifying the emergent status of organic community programs which produced industrial characteristics across a number of musical genres. Similar industrial formations were not identified in other situations where the existing industry saw policy initiatives as irrelevant to business as usual.

Government involvement with popular music practices underwent a cumulative incrementalisation during the years under review. New popular music policies ran in tandem with pre-existing music policies, which were presented as features of government arts programs. The continuance of the 'subsidy or welfare approach by government to culture', could not be unproblematically maintained in the face of changing industrial and social policy priorities (Cunningham 1992: 24-25). In this respect, Cunningham's reading of the subsidy model is limited by its assumption that subsidy is likely to continue by decree. One reason for this limitation is the absence of an explicit model sensitive to cultural industries production within the expanding capitalist economy. Cunningham's reluctance to appreciate the commodification imperative has been identified by another writer as a limitation (Harvey 1994: 171).

A similar limitation can be identified in the principal Federal Governments arts funding body, the Australia Council, which, together with state arts ministries and the
Australian Broadcasting Corporation, were until about 1990, fearful of the market economy and related policies. Their expertise was in non-market arts subsidy management regimes. The Australia Council worked along the lines of a 'pre-market approach' to music, which excluded commercially mediated global popular music, or Australian derivatives of such music. But in the mid-1980s, Dr Richard Letts, Director of the Music Board of the Australia Council, promoted a model that worked against the predictable interests of groups receiving subsidies. The Music Board Medium Range Plan: 1985-1989 (referred to as the Plan) proposed a total reorganisation of priorities for music activity within the Australia Council (1986). The Plan was an attempt to widen musical activity within the Australian community. Its stated purpose was: 'To define the basis and rationale for a plan of development for Australian musical life through 1989...' (Plan 1986: A3). Primarily, the largely forgotten Plan indicated that a major shift in thinking about music in the general policy and cultural context was necessary and in keeping with the Federal Government's priorities. I will detail the Plan and its demise in a later chapter.

Popular music was not recognised as part of the subsidised arts industry. Nor indeed was it a priority in the Plan. Rather, the confluence of forces at work in the popular music industry worked almost outside the subsidised arts model. It included a dynamic mix of cultural and industrial formations: multinational record companies interacting with local record companies and the live music scene; local music content on commercial radio involved a long standing debate; publicly funded broadcasters with community responsibilities; foreign versus local and national music styles and national cultural integrity. All these and more existed as the popular music context into which a new set of policy rhetorics was introduced. Turner characterised the 1980s move by governments to involve themselves in popular music.
Art form after art form have been taken up as a site through which Australia might produce evidence of cultural maturity, and have been supported by various kinds of subsidisation. Australian popular music is possibly the last in the queue.... Popular music's cultural scandalousness or 'dirtiness', its slim regard for the discourses of nationalism so readily taken up by other cultural forms, and its apparent hopelessly globalised textual forms has protected it from regulators on the one hand and exposed it to the logics of the international market on the other (1994b: 339-340).

Turner's perception is that popular music joined the queue of cultural industries being scrutinised and organised by government, because all other cultural sectors had been incorporated into the government public subsidy and policy milieu. There seems no doubt that with the exception of the local content quota on commercial radio, this was the case, as discussions during the McLeay Report suggested (I will foreground both of these subjects in chapter 10). This shift, or what I want to call the introduction of the popular music policy administration paradigm, involved the exposure of the existing popular music market space to governmental concerns that accompanied public policy. One view of this process, from a historical perspective, is that 'The administrative goal was one of calculated intervention to keep structural contradictions under control, so that economic interests could be systematically pursued' (Burton and Carlen 1979: 5). The limitation of this Ricardian political economy is that it fails to recognise the relationship between cultural and economic production and the mediating logic of policy. As I suggested earlier, the ideological framework of the social and industry policy objectives of the ALP were brought in to play to counteract an ungainly emphasis on economic administration alone. Furthermore, the ALP was influenced by activities in other nations, where institutions were being established to manage new, globalised administrative relationships. For example, in Canada 'changes in
institutional structure, the centralisation of economic and political power, domination and the incentives of vested interests groups' played a part in raising questions about new social and economic relations in a national context (Mansell 1984: 11). Governments encouraged, then responded to these sorts of changes. As a global activity, popular music was part of the changing landscape.

Elsewhere, international engagement brought its own pressure to bear, such as the 1980 UNESCO report by Jean Battersby, Cultural Policy in Australia. Battersby's report recognised Australia's attempt to struggle with cultural policy institutions introduced by the Whitlam Government, with the formation of the Australia Council, the Australian Film Commission and the National Heritage Commission. The report did not paint a positive picture of Australian cultural activity. For example, it noted that 'Changes have been introduced, perhaps less radically and more slowly than could have been wished in long-established government machinery for such activities as education and broadcasting' (Battersbey 1980: 80). Criticism was patronising and direct. Cultural policy activities were characterised as 'very recent', while organisations were 'still preoccupied with policy formulation and trial programs', and went on to comment on the 1976 Education and the Arts report: 'This report raises question of profound importance to Australian cultural life, if implemented it would in the long run have a beneficial effect on Australia's intellectual and cultural life' (Battersbey 1980: 80, 81). The approach signalled that Australian policy was being examined in a global context, with uncertain results: 'It is possible, though understandable, that cultural planners, in their anxiety to make up for generations of neglect, may have been trying to do too much too soon, or in some instances, before it is too late' (Battersby 1980: 83). A combination of scrutiny, criticism and anticipated improvement in government cultural activity helped produce an environment in which something had to be done.
Introducing popular music policy

The economy and the institutions within it were undergoing change due to a number of causes, most notably perhaps the globalisation imperative, which focused government and policy makers' attention on the need for informed evaluation of the changes. However, during the 1981-1984 economic recession, unemployment challenged ideas about full employment and opportunities for youth in a globalised economy. The changes produced practical challenges for rock musicians, as Arnie Olbrich explained after 20 years as a rock musician in Wollongong.

I don't know how the kids today do it. When we were young, you always knew you could get a job, a skid strapper at Lysaghts, maybe, but at least you could get a job and pay off the modest amount of (musical) gear that you needed. Now there are no jobs and the amount of stuff you need is simply outrageous. Sure, there will always be bands, but the problem is that the big bands are just getting so much bigger, turning into music multinationals.

It was easier for a band to come up before than it is now, that's for sure (Donaldson Interview 1984: 19).

Pronouncements such as this had a basis in the link between popular music, political activism and youthful enthusiasm for change. In turn, the general view of the existing music industry was that it had maintained a growing presence since World War 2 in the US and Canada, due to an important conjunction: 'an expanding teenage/young-adult population within a thriving middle class' (Vogel 1990: 138).

Ironically, post-war middle class affluence had produced an unsteady amalgam of demands for youth leisure activity, which was related to youth culture as a site of resistance. Yet, in a social democracy context, it was important not to allow the presumption of middle-class economic privilege to dominate considerations. The ALP's policy settings included explicit claims to provide access for all Australians. This had been an issue in discussions involving young people, who faced long term unemployment and lack of access to popular music. It was a point emphasised in August 1985 by
the Prime Minister Bob Hawke, in a television address to the nation.

The welfare and the encouragement of young Australians is our first priority as a Government. It is my first priority as a prime Minister. And it is our collective priority as a nation (Gleeson 1987: 13).

Education and training became a focal point in the re-making of Australia and its economy in the global environment and appeared before popular music became a vehicle for youth policies. The impact of this approach was strong, with one journalist suggesting that the 'march of events (in youth policy in 1985-1987) was like a drum roll to the climax of Mr Hawke's August speech, which took on the appearance of a lofty summit in the history of youth policy' (Gleeson 1987: 13). Although it was not initially obvious, perhaps inevitably, popular music was drawn into the general youth policy nexus, education and training through the Priority One project announced by Prime Minister Hawke in 1985.

I will indicate in detail later how popular music was opportunistically articulated with Federal Labor's stated policy for youth, by individuals and party activists. Before that it was the rational preparatory conceptual work by two Victorian policy activists and bureaucrats, Peter Wilenski and Peter Kirby, who contributed to youth policy formation.

Peter Wilenski's 1983 paper, Policies for Youth: Some Approaches, was commissioned by the OECD and republished in Victoria, where it was used as part of the Victorian youth policy program, which, as I indicate in the following chapter, fed directly into Federal Labor's policy formation.1 The suggestion here is that policy innovations and critiques, when clearly proposed within the nexus of

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1 Wilenski was probably the most influential progressive academic and bureaucrat in ALP history, working as a medical doctor then a policy academic and bureaucrat at senior levels for the Whitlam Government. With Labor's Federal election victory in 1983 he was appointed secretary of the newly created Department of Education and Youth Affairs, then later became Chair of the Public Service Board.
the emerging party in power and administrative paradigm can be absorbed (in Wilenski's case it was from an international - OECD - perspective to the Victorian State then federal level). Wilenski's paper pointed to the rise in youth unemployment to 20 per cent in some OECD countries during the early 1980s and the general 'disaffection and marginalisation of youth' (1983: 5). As a visionary contributor to policy formation, Wilenski's view was uncompromising:

> the problems of these long term unemployed will remain, demanding as a matter of equity continuing public policy priority and as a matter of effectiveness the devising of new public policy approaches (1983: 7).

Wilenski's observations included an absence of 'clearly specified aims' for youth employment and training, especially for youth in the 16-19 year age group (1983: 10). He suggested that a social justice approach to youth unemployment was required. What was needed, Wilenski said, was 'an attack on socio-economic inequality', which was the basis of the problem, with the highest levels of youth unemployment amongst the poorest sections of society (1983: 15). His rhetoric was directed at governments and policy makers. His paper include only sketchy recommendations for action in the section titled 'A Framework for Investment in Youth' (1983: 26-32). He suggested a Social Integration approach to policies. These could involve providing benefits for young people including 'half price entry to institutions, clubs and entertainment' (1983: 31). Wilenski also suggested labour market programs targeted to young people's needs in education and training. A hint of youth activities in clubs and entertainment context, linked to education and employment, was, as I will show in the next chapter, not enough to sow the seeds of youth and music policy linkages.

In January 1985 - the International Youth Year - a more precise set of youth policy activities was produced by Peter Kirby. Like Wilenski, Kirby went from policy writing
and proposing to become a major player in youth policy initiation, when in 1987 he became was the Director of the Department of Labor, in Victoria. Kirby's set of proposals recommended a trainee scheme for 16-17 year olds, which involved work experience and off-the-job training. The Victorian Government's Youth Guarantee promised 16-19 year olds a combination of work and training for a year. Federally, Priority One reproduced many of Kirby's proposals for creating youth training, but it was generally deemed unsatisfactory by unions and the Australian Council of Trade Unions (ACTU), due to the low level of trainee wages, which were below junior award pay rates (Gleeson 1987: 13). Kirby was also director of the Victorian Government's Youth guarantee, which provided the intellectual and practical experience for the implementation of the Commonwealth model.

To get the message across to youth that funding and administrative support was available to them for education and training, the government rhetoric had to be expressed in appealing language. The government turned to musicians like Kate Ceberano and Jimmy Barnes to make promotional advertisements. As part of Priority One major concerts were held to attract youth, where they could be further provided with information about employment. This was one key moment in 1985-1986, in promoting Priority One, that the articulation of government to popular music began.

The Government also relied on Federal Minister John Dawkins, who, along with other responsibilities, was the minister assisting the Prime Minister on Youth Affairs in 1985. One of Dawkins' advisers was Peter Steedman. He became a key player in coordinating Priority One and later took its initiatives directly into the popular music realm in what he described as the political and youth priorities of the Federal Government (Steedman CIRCIT presentation 1992).
Another element of this formative popular music policy environment was the use of a popular music event as a signifying moment in official history. This took place with the 'Rocking the Royals' event in Melbourne on 4 November 1985, when some of Australia's major rock bands performed for Prince Charles and Princess Diana as part of Victoria's 150th anniversary celebrations. The event included a government subsidised $2.50 a head concert in the underpass around the Victorian Arts Centre in South Melbourne and a simultaneous $52 a head concert including the Royal couple in the concert hall itself. Organised by the major events division of the Victorian Department of the Premier and Cabinet, the outside event attracted a crowd of 14,000. It involved massive road closures and a redefinition of the street scape in the interests of youth. Ian 'Molly' Meldrum, 'Countdown' host and rock music arbiter hosted the royal event, while leading local and national bands, INXS, Kids in the Kitchen, The Models and I'm Talking played, as did the Peninsula Boys Grammar School choir and the Gumboot Boogie Band, a percussion group of children from working class suburbs of Broadmeadows and Preston and Mallacoota, a Victorian coastal town (Kizilos 1985: 3).

Labor Party activists recognised the emotional drawing power of royalty, rock stars and popular music events. Other political parties also recognised a major event, although no doubt due to the presence of Royalty rather than the music. Also attending 'Rocking the Royals' was the Victorian National Party leader Peter Ross-Edwards, together with Liberal Party and Opposition leader Jeff Kennett, as well as the Victorian Labor Premier, John Cain (Kizilos 1985: 3). Victorian bureaucrats began to take up the opportunities to develop popular music programs for the Victorian Labor Party Government within the Department of Labour and Youth Affairs, including 'Rock the Docks' and 'Rocking the Rails', music events for young people on trains and railway stations and at Melbourne's bayside docks (Stephen Interview). At the end of 1986 and during January 1987 the Federal Government began another of its
engagements with popular music, taking out sponsorship of 'Australian Made', a six concert event in the nation's capital cities, featuring Jimmy Barnes, Models, The Saints, I'm Talking, INXS, Divynls, Mental As Anything. The sponsor organisation was Street Beat, a community awareness program developed by Ampol Oil Australia and the Federal Office of Road Safety. It was a program aimed to get the message of road safety across to the 15-25 year age group. Prime Minister Bob Hawke was invoked as the patron of Street Beat as well as a symbol of the Labor Government's support for young people and their welfare. For its part 'Australian Made' was presented as an event and a celebration of Australian popular music that marked, said Michael Hutchence, lead singer of INXS, 'the end of the cultural cringe'. There are no half measures. It's a different concept to anything that's been presented here before; we're doing things in a very big way' (Baker, Press Kit 1986).

As Pete Steedman worked behind the scenes in Canberra to generate popular music policies, a small group of ALP activists undertook similar tasks in Melbourne. (I shall discuss their individual contributions in detail in later chapters). In 1986 Graham Stephen, who had worked as artistic director for Moomba (1984-1986) moved to the Victorian Department of Youth Affairs for six months, where he met Linda Carrol, Andrew Funston and others who were also developing youth and music related initiatives. Conflict between their personal career ambitions, policy objectives and Labor Party faction commitments soon developed. Stephen and Steedman were from the (socialist) left faction of the ALP, and had direct access to Premier John Cain, who had sympathies for the left, although he was publicly presented as an 'independent', non-aligned politician. Carrol and Funston worked for Ministers who managed the youth portfolio, such as Steve Crabb, who had ambitions of their own and were not from the left, but the right of the party, which had long standing animosities to proposals from the left, regardless of the good policy
sense behind them. The result of these personal and political machinations was that the projects on which Stephen and Steedman (Melbourne Music Festival, Victorian Rock Foundation, Ausmusic) and Carrol and Funston worked (youth clubs, The Push) developed separately, and in an environment of conflict and distrust. An adversarial atmosphere predominated. Because Carrol and Funston were bureaucrats the conflict became counterproductive. As I shall show in a later chapter, these factional enemies established an almost pathological contempt for each other. In mapping the popular music policy developments, this background to personal conflict became a significant issue for the organisations which were established and the inability of key players to cooperate to produce long term policy outcomes.

**Stakeholders**

Leading policy makers and bureaucrats, together with ALP activists played a major role in Victorian popular music policy formation which soon stretched into the Federal Government policy sphere. The failure of working relationships between some bureaucrats and popular music activists raised questions about who was involved in the policy process. In this section I propose to outline and define the term 'stakeholders'. In using this term I am aware that 'stakeholders' may be a new word in the cultural studies lexicon. However, I believe it usefully connotes the sense in which individuals and institutions invest themselves in a process. In using the term I have sought to recognise that multiple players and forces are involved in policy formation and implementation. In this case, in the popular music industry domain, it has been suggested that analysis should involve 'the particular and relative power of at least four entities: artists, record companies, audiences and the music itself' (Garofalo 1987: 79). In this case study, the list should also include government policy makers.
I am using 'stakeholders' as a generic term to include representatives from the five categories above. By the use of the term I am seeking to suggest an inclusive sense of participation in policy development, as is generally conceived in the social-democracy-mixed economy model, outlined earlier. Specifically, I define stakeholders as those private and public individuals and institutions representing vested interests who enter into cooperative arrangements which are agreed to by private, profit-oriented firms and governments and their agencies, to produce an economy under government control (Mattick 1969: 153). The networks which are established between stakeholders are important in defining how policy develops, forms, and moves into the implementation phase, suggesting that stakeholders are involved in dynamic activities which differ depending on the circumstances. For example, in this study the macro policy issues involve the existing music industry, while the micro policy issues involve the cultural community music activity that may have no relationship to the macro. However, as I will show in the section on community music, the concept of stakeholders has been helpful in identifying the way in which the macro and micro moved into alignment as an unintended result of policy initiatives in the community sector.

Furthermore, the links that an academic and bureaucratic activist such as Wilenski had with the ALP were such that it was only a matter of time before some of his ideas were put up as detailed policy proposals by party activists who wished to become stakeholders themselves. In Victoria, the youth committees within the ALP took initiatives that had significant implications for the mobilisation of policy initiatives in popular music. I will examine these developments in the next chapter. It needs to be noted however, that the Victorian left was predominant in the

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2 Although stakeholders may be used in business jargon, it is used here primarily as a device to describe networks of relationship, where, as the OECD noted in 1991, the role played by linkages and innovation-focused networks among different organisations, institutions, and economics agents' needs to be made explicit in the policy process, as indeed do interests which may be disparate, antagonistic, and fragmentary (cited in Mansell & Jenkins 1992: 33).
1980s and it was from this faction and in some cases, its association with the Trades Hall and the union movement, that youth policy ideas were generated and promoted, as I will show in chapter 13. It was here also that existing music policies were initially part of a cultural policy objective, aimed at improving and 'enriching the cultural life of the nation', by the 'cultural regulation' of creative content by state funded organisations (Cunningham 1992: 22-28). The linkages between these and other stakeholders representing a range of interests produced frustrations and achievements. The major requirement however, was to produce adequate rhetorical devices for convincing politicians to support and fund new popular music initiatives, such as the Victorian Rock Foundation, Ausmusic and The Push. In the following chapters of this section I examine how a variety of stakeholders established networks of interests that reinforced government's commitment to popular music policy initiatives.
Chapter 7

Music policy gestation - the rhetoric

In the previous chapter I provided an overview of the policy initiatives and institutions established during the years under review. In this chapter I will contextualise the political economy of the music policy activity in the years leading up to and in the period under review. I propose to scrutinise it with the tools generated by articulation theory and the resulting music policy formulation model. In particular, I will indicate how different rhetorics from policy innovators and policy makers began to emerge and influence governments and bureaucrats.

It is possible to identify various trajectories of activity and articulations between various agencies, stakeholders, levels of government and industry which assist the task of investigation and analysis within the context of music policy formulation. This approach provides insights into the policy process, especially throwing light on the forces that drove the popular music policies. In particular, the research reported in this section is based on my examination of ALP activity in Victoria, which prepared the ground for popular music policy initiatives later in the decade. By establishing what drove the policies in the very early 1980s, it may be possible to show if and how objectives were set and where initiatives were actually undertaken, if the policies were effective. One answer to the question of policy effectiveness can be made by referring to the music policy formulation theory, which identifies the articulation of creative and social needs of young people specifically, with the government's interest in reinforcing the strengths and achievements of the existing industry. By placing the policy initiatives in contrast to the theory, it is possible to identify the trajectories of policy action.
This represents a departure from one prominent analysis which suggested that two main pathways of policy activity could be identified in popular music policy: 'policies that link media output to that of the major international corporations and policies that link up to local music life' (Wallis and Malm 1992: 251). My research has attempted to establish the ways in which this characterisation of popular music policy manifest itself in Australia, yet move beyond the constraints set by the simple dichotomous proposition contained in the typology proposed above by Wallis and Malm. Using the institutional economic approach it is possible to map the social provisioning intent in order to provide an indication of which pathways Australian music policy followed, if any. It is possible to move beyond the binary configuration proposed by Wallis and Malm (international media versus local life), to an approach that rearticulates their antagonistic policy pathways as part of the 'global culture' that moves between the local to the global (Frith 1991: 268). More recently, Frith has extended this argument, suggesting that the global flow of popular music occurs in a domain of 'rootlessness' (1993: 23). The sought for outcome that institutional economics attempts to provide is to recognise the 'ought' of social provisioning. By emphasising political economy, the articulation of the policy pathways into multiple sites of activity can be made explicit within the process of music policy formulation and be shown to meet, or not meet a social provisioning objective in each case. I will argue that the effective realisation of policy is most often pursued where arguments for activity are proposed with 'forcefulness' by stakeholders in the process. This extends the general interpretation of 'power' expressed within the institutional economics tradition, conceived as a set of social and economic relations established and reinforced by law and regulation. In taking my definition of power into a domain where behaviour is considered, I invoke a model of multiple pathways of policy action, where power can be interpreted according to the needs identified and expressed
by stakeholders at different points in the formulation process.

Rhetorical force

Where did the arguments in favour of popular music policy initiatives originate? Policy texts suggest that in the first instance, the arguments must be preceded by the recognition of a problem which requires a policy solution. Sources for the solution vary. I have identified three possible stakeholder groups who recognised the popular music policy problem: policy 'initiators', or 'agenda setters'; users and client groups (Peters 1986: 40). Specifically, the most active stakeholders were advocates and activists within the ALP who were young, or people with direct links to youth policy; politicians and bureaucrats responding to arguments put by these groups; entrepreneurs, such as Michael Gudinski of Mushroom records who managed independent record labels, and highly motivated individuals at senior levels in government and related institutions, such as former federal ALP parliamentarian Pete Steedman, and Dick Letts, Chairperson of the Music Board of the Australia Council in the mid-1980s. The way in which these stakeholders expressed their support for popular music policies varied and will be considered here, as part of the rhetoric that accompanied popular music policy. More generally, I will draw on rhetorics that are not constrained by any strict definition of 'officially recognised discourses', which are 'produced at the command of the government', and are 'internal and external to parliament' (Burton and Carlen 1979: 2, 24). The stakeholders I refer to operate across the official policy domain, both within and outside the recognised discourses, although their objective is to influence and where possible, dictate policy activity. Stakeholders are therefore, part of an inclusive, yet open system of policy creation and development, which sits well within contemporary readings of cultural policy studies.
In explaining the way in which the stakeholders identify problems and generate solutions, it is helpful to return to the epistemology of production. It exposes the means whereby the social formation comes into operation, as the cultural and industrial forces struggle for supremacy in the policy context. Their articulation with each other, within the rhetorical domain of policy initiatives, gives credence to the notion of 'forcefulness' in the music policy formulation. In examining the power which the stakeholders bring to the policy process, I offer a perspective of what Born called 'the complex and interrelated dynamics of different forms of the political' (1993: 272). In this scenario, the arguments for popular music policy initiatives are themselves political, because it is only by entering the rhetorical domain that any force for policy change can emerge\(^1\). And it is at the level of rhetoric and its accompanying power, that the initiating political struggles are most clearly manifest and resolved, before moving to more substantive stages of activity, such as public inquiries and implementation.

Rhetoric is a constitutive feature of policy. Its relative absence from the Australian cultural policy literature is indicative of the uncertainties associated with how policy formulation operates. It is an uncertain territory which is yet to be fully understood. The force with which the policy arguments can be convincingly conveyed to the public needs to be unpacked and interpreted. Distinctions need to be made between political party publicity and policy issues which can be publicly constructed in relation to stakeholders, who invest themselves in such issues, seeking to become part of the process. This sort of differentiation helps refine how the articulations may occur in the popular music formulation theory.

\(^1\) Texts on cultural policy and music policy have few, if any analysis of 'rhetoric' as a constituent in the process of policy formation. Exceptions include the general considerations in Michael de Certeau's *The Practice of Everyday Life* (1984), which have more recently been examined in a non-policy context by John Frow in *Cultural Studies and Cultural Value* (1995).
My examination of the rhetoric of popular music policy initiatives recognises the uncertain appropriation of force, or 'symbolic power' with which participants engage (Frow 1995: 50). The 'set of practices or operations performed on textual or text-like structures' incorporates characteristics of rhetoric, or a 'repertoire of enunciator tactics', which de Certeau suggests, draws its value from its relationship with the Other, the object which it resists (cited in Frow, 1995: 47-50). The rhetoric of music policy formulation is defined by the enunciation of a position of difference from the Other, the existing music industry and the desire on the part of the music policy 'initiators' to be appropriated into the Other. In order to make this rhetoric a constituent of the prevailing framework, the arguments had to enunciate what Bennett termed 'positive knowledges' (1989: 10). To receive recognition to become policy proposals, the positive knowledges had to be used to argue against the inferior existing music industry Other.

In a further logical progression in the development of positive knowledge, the original set of problems that had been identified and incorporated into the concerns of the stakeholders still required a solution (Peters 1986: 40). At all points in these relationships, power is wielded rhetorically and symbolically. Agendas and objectives for policy action can be clearly stated and argued as a result. In setting agendas and objectives, a primary doorway to policy action is established and can be presented as part of the solution to the initial problem. An important first step in this process is that standards of rational thought and behaviour need to be acknowledged, so that the logic of the positive knowledge can be recognised and acted upon.

Evidence of claims to 'rationality' can be located in ALP statements in the years prior to its electoral success in Victoria and federally in 1982 and 1983. In fact, the ALP believed that its general policy framework was 'a rational standard' which could be expressed as part of the rhetoric
of the Labor philosophy and presented 'as an integral part of the Australian way of life' (36th Biennial National Conference, Canberra, Neville Wran, National ALP President, 9 July, 1984). Statements such as these served to generate emotional linkages between the self proclaimed rational policy behaviour of the ALP's political objectives and the construction of the ALP within the 'everyday' agenda of an imagined national way of life.

In summary, it was the forcefulness of the rhetoric which helped provide the popular music policy solution to the problem. Forcefulness may be conveyed along multiple avenues to generate the appropriate solution, creating numerous, yet conflicting opportunities for action. Rational responses are necessary in order to manage the opportunities, according to policy priorities. This principle is in keeping with the institutional economic view of political economy as a theory of change, where policy provides rational, democratic management of that change. As I will indicate, stakeholders within the ALP began to identify how popular music policies could fit within the ALP's general policy framework. They began by identifying youth and entertainment related issues in a very rudimentary fashion in the early 1980s. However, this was to help set an agenda for later arguments about establishing policies which were articulated to the needs of young people and the music industry. In the following section I will show how the forcefulness of rhetoric was implemented within the ALP in the lead up to winning government in Victoria and nationally.

**Rhetoric at work**

Popular music policy rhetoric can be identified as part of the policy moment of the 1980s, which was identified by the quest for pluralism, in which a model of participation in society that minimised economic and social constraints, was proposed (Rowse 1989). This objective was informed by positive knowledge about pluralism, access and equity, which the ALP sought to realise through a variety of policy
initiatives. Further expressions of this pluralistic quest can be identified in two sub-categories of activity:
(1) industrial considerations for funding, distribution and thereby expanding musical activity;
(2) 'government neglect' of popular music (Rowse 1985, 1989).
In making this distinction, I have reworked Rowse's proposition, whereby the ALP's cultural policy moment of the 1980s is formulated under the broad objective of 'pluralism'.

Pluralism is used here in its generic sense, to mean an environment where attitudes, beliefs and behaviours are practiced by all citizens, and endorsed by the state, as long as they do not harm or damage the social and economic lives of others. It relies on a liberal consensus, where tolerance, even promotion of difference is acknowledged as the basis for a healthy society, yet is differentiated from liberalism by the fact that the government willingly supports and where requested, subsidises such activities. Used in relation to popular music policy, this definition of pluralism reflects tolerance for all types of musical expression and the opportunity to engage in musical activity. Public policy initiatives aimed at promoting a plurality of musical opportunities incorporates the notion of an interventionary logic expressed by the social provisioning concept. That is, where popular music is seen as an object of activity in which the community, and or communities of interest should be able to participate, but where the existing social, economic or industrial structures hinder such active and creative participation, policy initiatives are required to breach the status quo economic and social relations and regulate the new relations. Social benefits are expected to follow the introduction of the policy. These include the key objectives of access to and involvement with an improved variety of opportunities for musical expression. This rhetoric of popular music policy needed to work across all
these sites of activity which generate a range of differing, even contradictory objectives.

For example, as I will show in later chapters, localised communities were the site for numerous 'micro' music policy initiatives, where government subsidies were used to provide activities where entirely new relations needed to be created. Although this was the site for the implementation of the arts policy subsidy model, in the late 1980s it developed into a system in which efforts to commodify community creativity were sometimes realised. The study by Hawkins of Community Arts Board initiatives has indicated that a similar developmental model - subsidy to commodification - took place in community initiatives (1993). This study also indicates how a similar process of commodification and industrialisation took place in community music contexts. The rhetoric that maintains the subsidy approach to music in the community, differs from the sort of rhetoric that reflects commodification issues, as defined by the music industry and related policy (Frith 1993: 14).

From an industry perspective therefore, policy initiatives rely on formal intervention into the market to introduce a dynamic model of pluralism. Here, the stakeholders are already in an economically sustainable relationship with the audience and creative artists, yet need to recognise:
(a) the benefits of policy, as a means for improving the interrelationships articulated across the general framework of industrial organisation in which they participate;
(b) ways of improving their specific performance as a result of those relationships (Clarkson, Miller 1983: 4-5).

Articulation theory brings these two sets of activities into a conjunction around a policy of pluralism, by aligning industry concerns with the creative community. According to the theory, this takes place due to the commodification imperative, with which policy attempts to engage. As I have noted, the commodification imperative is itself given priority due to the state's enthusiastic
participation in globalising its economy and national industry.

Pluralism is a complicated notion because it can also be invoked to bring into the foreground, broad cultural concepts, such as 'youth'. From a cultural studies and articulation theory perspective, pluralism can be seen to incorporate and value within the liberal consensus, the social experience that links youth culture with rock music. As Frith (1978), McRobbie (1991), Grossberg (1992) and numerous other writers have suggested, since the early 1950s, popular music has been the point around which a range of signifiers has been built for youth. Terms such as 'Teen' or 'Youth' culture have served as organising concepts for discussions of popular music. More importantly, by linking youth with rock and roll, (more recently rock music), there was a sense in which social spaces could be identified in which young people could 'find some sense of identification and belonging, where they could invest and empower themselves in specific ways' (Grossberg 1992: 204-205). An assumption here is that such social spaces are available, provided by a predictable devolution of cultural resources and access, mediated by economic and social 'liberalism' and the 'liberal state' (Grossberg 1994: 52). As I will show, in the years immediately prior to 1982-1983, the ALP began to recognise that its electoral success would hinge on an agenda where youth and young people's activities would need to be expressed as part of the policy objectives incorporated within the rhetoric of pluralism. This process required a level of forcefulness which I will examine in more detail.

Establishing music policy rhetoric in the ALP
Pluralism was not always a feature of the working class history and constituency of the ALP. After the Whitlam years of government, a strong sense of division permeated Australian political life and society at large, due to the controversial sacking of the Whitlam Government on November 11, 1975. The ALP could not win back government at state or
federal level by constantly harping on the injustice of the Whitlam sacking, and expecting the electorate to respond. By 1978 this realisation had produced a rational, rather than an emotional response within the ALP, in the form of a National Committee of Inquiry. Consequently, instead of divisions between political and class interests, the ALP began to formulate its own positive knowledge about the issues facing Australia. Foremost among these issues was the concept of pluralism, and consensus. In this section I will outline the development of a pluralistic approach to policy, which was built on recognition of the need to incorporate youth issues into the party. I will provide the background to the creation of policies in the Victorian branch of the ALP in the years from 1979-1983, which were incrementally built into a structure which supported the popular music policies introduced by both the Victorian and Federal Governments.

The evidence drawn from Labor Party documents shows that structural changes in the Victorian State branch, brought about by activists in Young Labor, established the framework for effective rhetoric and the implementation of music policies from within government and the bureaucracy. Before this position could be reached in the mid-1980s, major shifts in Labor Party thinking and behaviour were required. As I will show, these took place relatively quickly.

A defining contribution to the changing nature of the ALP came from R.D.Hogg, State Secretary of the Victorian Branch. He wrote to the National Committee of Inquiry on 18 July, 1978:

> Organisations such as ours are organic. They grow and adapt to circumstances - admittedly sometimes slowly. Changes that we are talking about in some form or other are certainly overdue, and at a National level the organisation has not grown or responded rapidly enough to the changing nature of our society.
The realisation that the party should reflect the changing nature of society was antipathetic to many, who operated with a class-based perspective which made it difficult to admit middle class and educated members and interests to the ALP. Yet the claim that Australian society was changing and with it the way in which alliances between classes and interests were formed, was a signal that the ALP had to find new ways of approaching policy formation. The idea that new alliances were needed was noted by Victorian ALP leader Frank Wilkes, when he summed up the changing environment at the 34th National Conference in Melbourne (27-29 July 1979):

> It is only through a partnership of unions, the community, the Government and business that we can bring prosperity to Victoria.

New pluralism was being built out of alliances that had not been possible in the limited perspective created by the trade union movement: 'labourism' was disappearing (Beilharz 1994: 196). It was too early to recognise what would become more pressing by the mid-to-late 1980s: the need for industry policy and a continuation of the intrusion of traditionally anti-Labor corporate industry interests into the party fold. However, Wilkes and Hogg had identified that party activity would converge around a diverse range of (pluralistic) interests, aimed at meeting economic and social objectives.

Yet if pluralism was to be expressed as a partnership between previously contradictory interests which would work towards an industry policy, youth was a site around which a set of different concerns would converge. In general, the National Committee of Inquiry hinted at this when it handed its Reports and Recommendations to the National Executive in March 1979. The terms of reference of the committee made it clear:

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2 See for example the difficulties experienced by Herbert Vere 'Doc' Evatt, an academic, scholar and brilliant policy thinker, who led the ALP in the 1940s, often under great internal opposition (Crockett, 1993).
The Committee was required to investigate "the changing social, economic and demographic structure of the community". It is our conclusion from this investigation that the coming decade will be among the most momentous in Australian history.

The 'demographic structure' of the community had to include broad interests if a pluralistic model of Australia was to be applied when the ALP came to government. This would later include an attempt at multiculturalism, aimed at enriching the ethnic diversity of the country. Although it was not expressed in the 1979 document, the concerns of young people and their cultural and social experiences would need to be recognised if the changing demography of Australia was to be reflected in the ALP.

More significant than the rhetoric of dramatic change in Australia, were the recognised limitations to achieving pluralistic outcomes. The media was identified as a component of the changes in society and one of the key factors in constructing a new ALP policy strategy of diversity and pluralism. Appearing under the heading 'The ALP and the Media', the National Committee of Inquiry raised as an issue of priority the question of media bias against the ALP (Jaensch 1979: 13). Technological change was seen to offer a number of possibilities for overcoming media bias, although the documents merely signal opportunities for new avenues of communication through low cost broadcasting. They do not detail a futuristic scenario, where technology would provide a cost-effective solution to public access and a pluralistic model of broad, popular access to media. Rather, practical solutions to media bias issues were proposed by the committee, which suggested 'several ways in which the ALP could improve its communication performance', including:

a) better use of existing media facilities;

b) encouraging diversity in the number of media outlets available;

c) establishing additional media outlets sympathetic to the ALP;
d) within the party, better use of organs such as trade union papers (Jaensch 1979: 18).

Items (b) and (c) were particularly prescient. They pointed to structural considerations about the flow of information that would need to change if a pluralistic Australian society was to evolve. The sort of pluralism the committee anticipated was to be built up by media interests friendly to the ALP, outside the existing news media hegemony. However, this internal ALP policy rhetoric did not acknowledge the relationship the news media may have with a much broader media sector, such as specialist youth media, or popular music and the media. The explicit expression of youth with media was absent, as indeed was the acknowledgment of youth as an important area for policy development. This came from elsewhere: youth itself.

The interests of young people within the party came from young people in the Victorian ALP. Evidence that youth policy initiatives were to be added to the activities at the forefront of ALP policy have been identified in documents from the Victorian branch. In 1980-1981, the Youth Policy Committee of the Victorian branch put forward a series of recommendations aimed at increasing the profile of youth within the party. This followed a survey of youth membership of the Victorian party. The Youth Policy Committee meeting of 30 October 1980, included the following results: 54 per cent of ALP branches in Victoria had no members under the age of 25 (committee minutes Box 631)3. These results confirmed the worst: 'The survey has continued the general impression that the ALP has made little headway in recruiting members under the age of 25', the Youth Policy Committee noted, adding that women and youth under 20 were 'particularly under represented' in the ALP (committee minutes Box 631).

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3 References to 'Box' denote boxed sets of ALP records held by the State Library of Victoria. The boxes include ad hoc collections of Victorian branch and some Federal executive ALP papers and documents from the late 1960s until the mid-1980s. No catalogue system operates to detail the contents of the boxes, although there is a general box content list available.
The response to the survey was well coordinated. At the following month's meeting, Youth Policy Committee members (Lindsay) Tanner (since 1990, the ALP member for Melbourne in the House of Representatives) and Mattarozzi put a motion that sought to find solutions to the low levels of youth membership and strategies for remedying the situation. Early the next year the committee recommended that the State Conference of 1981 agree to restructure Australian Young Labor. Such a restructure was to include an Annual Youth Conference of the ALP. Victorian initiatives continued apace. On 30 April, 1981 the inaugural meeting was held of another new strategic group within the Victorian ALP: the Melbourne (Federal Electorate Assembly) FEA Youth Assembly. It was to be convened by the FEA executive once a year, 'or as required thereafter', and 'chaired by the FEA president or nominee from the youth group' (letter from Margaret Burdeu, Youth Affairs Committee secretary to Simon Crean, 3 August 1981, box 631). Perhaps the success of this motion can be gauged by the fact that it became Rule 26 ('re Australian Young Labor') of the Victorian Branch of the ALP. This snapshot of initiatives from Young Labor indicates that in the period leading up to the election of the Cain Labor Government in April 1982, youth issues began to receive greater emphasis within the party, although as this study indicates in a number of instances, the appearance of youth as a site for policy activity was most frequently circumstantial. Instead of being a site for positive knowledge, where a set of objectives were defined and rationally argued for, youth policies within the Victorian ALP in these formative years, erupted out of nowhere. Fortunately the party had the foresight to have the administrative committee structures in place to exploit such eruptions, which facilitated their to progress to youth policy status. It was a pragmatic process.

4 The FEA is the governing body for each electorate. It monitors the activities in branches throughout electorates, calls for and accepts nominees for committees and generally oversees the activities of the Federal ALP's local, branch based representation (ALP Party Rules).
After the euphoria of the election of Labor to Government in Victoria, youth policy issues began to move from the party organisation into the bureaucracy. Certainly a key motion appeared at the 2 February 1983 meeting of the Youth, Sport and Recreation Committee of the Party. Moved Penaluna and Mannders it established what could be described as a model on which youth policy was to be built:

That the Youth Sport and Recreation Committee of the ALP recommend to the Minister of Youth Sport and Recreation that he establish a Working Party for the purpose of providing a basis for a comprehensive youth policy for the Victorian Labor Government...it should demonstrate a strong commitment to improving the position of young people in the community...that the Working Party be instructed to consult as widely as possible with young people, youth organisations and other relevant bodies within Victoria in order to develop such a basis for policy (committee minutes box 647).

The strength of the rhetoric is palpable. The motion outlines a range of possibilities and, as I noted above, is really a key agenda item in the youth policy formulation of the era.

Confirmation of the achievements of the push for a youth policy in internal party rhetoric had already appeared at the June 1982 State conference, just two months after the election of the ALP to Government in Victoria. The conference agreed that the Youth Policy Committee would be the 'one policy committee dealing with youth policy matters' (Rule 14.11) (letter from State Secretary, Peter Batchelor to Anthony O'Donoghue, 31 August 1983, box 647)\(^5\). The transition from policy proposals and party rules to the day-to-day workings of government took place during 1983. Victorian ALP head office recognised the importance of the

\(^5\) The full rule read: 'Annually there shall be convened a State Youth Conference of delegates under 26 years chaired by a party officer or the chairman of the Youth Policy Committee. This committee shall receive reports from the Youth Policy Committee and make decisions concerning resolutions submitted from the organs of the party' (Victorian ALP Rules, 1983, p.31).
issue, with a letter to a busy Youth Policy Committee meeting on 7 June 1983, that reinforced the motion quoted above and yet again recognised the need for a 'coordinated youth policy for Victoria' (box 647).

A variety of youth committees were formed at this time, including a 'Youth Task Force', which was concerned 'with the actual implementation of youth policy and the broadening of the policy' (Youth, Sport and Policy committee meeting, 7 April 1983, box 647). A Department of Youth Sport and Recreation, together with an Office of Youth Affairs was formed by mid-1983. This followed an address to the Youth, Sport and Recreation Committee, by the Minister for Youth Sport and Recreation, Ron Walsh, on 15 March 1983, in which he said that 'the Government had to demonstrate that it was serious about youth policy' (committee minutes box 647).

The impact of this rhetoric and the associated commitments began to seep thorough to Federal ALP committees. On 8 June 1983, barely three months after the ALP won the Federal election on 5 March 1983, Joan Kirner, the convenor of the State ALP Youth Policy Committee (and later Premier of Victoria) agreed to raise the subject of youth representation as part of a National Committee for Education and Youth (Youth Sport and Recreation committee meeting, box 647).

Such incorporation into the senior structural machinery of the State and Federal ALP indicated that youth policy issues would not be marginalised, but be part of the party's policy corpus. This was to become significant much later in the 1980s, when music policy issues became part of industry policy, as well as youth policy. There were during this time, indications that youth policy needed to be related to the real world activities of youth, such as music and entertainment, although the examples from the early 1980s are rare. Certainly one indication of the possibilities occurred at the first meeting of the FEA
Youth Assembly, chaired by Lindsay Tanner, on April 4 1981. Here, a set of objectives were agreed to which recognised the important linkages between youth policy and music. In particular, the FEA Youth Assembly agreed to 'recruit new young members for the ALP', and that recruiting should be directed through schools where possible, trade unions and in general places where young people congregate for entertainment' (committee minutes Box 631, emphasis added). This is the first indication that entertainment was an identified site for ALP youth policy action.

Translating this type of policy activity into the media domain did not require much time. Margaret Burdeu, the Youth Policy Committee's secretary wrote to the committee about a funding crisis at community broadcasting radio station 3RRR. Her letter was tabled at the meeting of 21 May 1981, in the month following the first Youth Assembly.

If the station staff and volunteers do not raise $50,000 the station will collapse. As there are only two alternative information radio stations in Melbourne. 3RRR's closure would be disastrous for progressive groups such as the ALP (committee minutes Box 631).

If Burdeu had been reading the National Committee of Inquiry Report from 1979, the documents do not say. Nevertheless, it is possible to see a convergence of general policy and youth policy in the call for added media diversity and for more media sympathetic to the ALP which was circulating within the youth sector of the Victorian ALP. The concern for the survival of the radio station reinforces the linkage between youth media access and pluralism.

Later in 1981, another issue was raised within the Victorian Youth Affairs Committee that linked the party to

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6My own experience as a 3RRR volunteer and program announcer during 1982-1983 (and at 2XX in Canberra from 1979-1981) was that the public radio sector and 3RRR in Melbourne was self-consciously 'progressive', playing new, often punk and new wave music, while also broadcasting politically challenging interviews aimed at disseminating material that would not be otherwise heard. Its commitment was undoubtedly to a pluralistic media environment and to a society in which music was a vehicle for change (Warne 1987, Potts 1992).
other groups within the state. This was the situation facing young people in country areas. Youth organisations in country Victoria were disadvantaged and the committee agreed that there was a need to meet the needs of such groups (committee minutes, 16 November 1981). No solution was proposed to this issue by the Youth Affairs Committee.

A possible solution was however, proposed as part of the brief for the Local Government Task Force at its meeting on 27 October 1982, where the activities of local government and the ALP were to be examined. Sport and recreation were the primary activities for ALP recreation policy at the time, where recreation within local government was recognised as an area of need and a site for new policy initiatives. The emphasis on sport was almost obsessive. For example, in December 1983, State Secretary of the Victorian ALP, Peter Batchelor put 12 National Sport and Recreation Policy Proposals to Federal Labor - 11 of them were about sport. The only non-sport initiative was for funds to build 'family leisure centres', 'to be constructed on or near existing school sites, but owned and managed by Local Government for the benefit of the whole community' (letter from State Secretary, Peter Batchelor, 13 December 1983 box 647). Although commitments such as these were generally vague, they set the agenda for policies and activities which could be directly articulated to popular music policies, once a leisure infrastructure of facilities in the community had been established.

The ground swell of activity launched especially from within the Youth Affairs Committee in 1980-1983, established youth at the forefront of a push to recognise new opportunities for that sector of the party. The incorporation into the Party Rules of issues relating to youth followed the political activities of youth members which quickly became part of the mainstream of the party. More importantly, Victorian youth activists were able to link young people's concerns to the party - entertainment, youth clubs, community radio - making it possible to
recognise youth activities as sites for ALP policy initiatives. As I will indicate later, these preliminary developments established the framework for Victorian and Federal popular music initiatives that were directed at young people in the mid to late 1980s. The initiatives also served to expand the horizons of the ALP, thereby assisting the senior (non-youth) administrators and politicians recognise that a pluralistic policy agenda was an appropriate objective for the party to pursue.

These structural changes generated an environment where youth concerns were related to music activities later in the 1980s. Stakeholders in the ALP during the years under review have indicated that the strength of purpose within the reorganised youth sector of the party played a major role in bringing popular music to the foreground of youth policy in the mid to late 1980s (Funston and Stephen Interviews). Equally significantly, the rhetoric at work within the youth section of the Victorian ALP was brought into alignment with the general pluralistic rhetoric of the policy objectives of the party, as Victorian FEA ideas were absorbed by the Federal Government in Canberra. The rhetorical forcefulness and energy which operated within the party helped manufacture the sense of policy direction which ultimately set the party agenda. Party rhetoric itself was determined by these developmental programs that formed the basis for a return to power in 1982-1983. It must be assumed, (given that documents do not contain the necessary verbal inflections necessary for a full linguistic investigation of rhetoric), that the party room meetings and debates at national and state conferences, combined with the urge to win elections and therefore government, also carried persuasive rhetorical power or force.

In hindsight, it is relatively easy to see how the isolated actions of the Victorian youth committee influenced the mainstream of the ALP and the national body. Put simply, the determination to create a place for youth within the
national structure of the ALP, became part of the rhetoric of a well organised Victorian Young Labor movement during the early 1980s. Placing youth on the ALP agenda coincided with the change in social policy focus, which fitted snugly with the objective of pluralism. The explicit goal of social provisioning cannot be identified from this research, due to the rudimentary nature of the party debates and the pressure to establish structures within the party that could meet the expected demands of government. Such goals had to wait for policy maturation at a later time. Furthermore, there is little if any evidence that popular music was linked directly to youth and that such a linkage had a part in the policy environment in the formative and early days of Victorian and Federal Labor government beginning in 1982-1983. Almost by default, the 3RRR funding issue and the community centres for entertainment unconsciously set the tone for later initiatives. Generally therefore, there was little if any rational policy action for music, yet a clear need to incorporate youth into the central structures of the party. It was a pragmatic start.

My research has indicated that the rhetoric within the Victorian branch of the ALP in the early 1980s, was what could be described as 'positioning rhetoric'. I define this as the activity associated with establishing and asserting a position in relation to the Other - in this case the existing party structures. My examination of the party records indicates an absence of rational planning in the development of music and youth policy. Yet it indicates that 'positive knowledge' was effectively invoked by the Youth Committee in their attempts to be recognised as policy players within the party and to become stakeholders in the more general policy environment. In the context of building a pluralistic party platform, the rhetorical forcefulness of Victorian Young Labor was effective.
Chapter 8

Working the rhetoric

In this chapter I will examine a series of questions arising from the rhetorics which gained circulation within the ALP and the political context in general. I will indicate the linkages between the general social and industry context together with specific moments at which popular music policies were taken up and promoted. In identifying the linkages, I will address the following questions:

Who and what circumstances shifted the initiative from the rudimentary policy structures of Labor Party planning and organisation - as indicated in the last chapter - to the realm of genuine policy activity?
Why and how did this shift take place?

In answering these questions I will indicate how the plans for ALP popular music policy were poorly constructed and relied on determined individuals with links to government. Generally, popular music policy development had similarities with what has been described as the history of 'ad hoc' approaches to communications policy in Australia (Evans 1983). This was the case until 1991 when the first comprehensive review of Australian broadcasting law in 50 years was undertaken before the introduction of the 1992 Broadcasting Services Bill (Armstrong and Lindsay 1991). Significantly, many of the initial approaches taken in the early to mid-1980s did not follow an informed sense of how the existing music industry functioned in Australia. As I will show later in the thesis, this proved to be a major stumbling block once initiatives had been achieved.

The research presented in this chapter shows that the influence of one or two determined, key individuals suggests that it was the personal ambition and commitment based on experience and party contacts which initially influenced government policy making more than careful planning. Little evidence of the conscious articulation of
social policy with industry policy was present in these individual efforts. A rational approach to industry planning and policy is limited, as opportunistic interests struggle with a clearly expressed consensus of long term evolutionary social benefits. Yet in the early, non-documented stages of popular music policy formation, key individuals were those who identified a problem and resolved it with a policy solution. In this respect, I am identifying Graham Stephen, Peter Steedman and a coterie of Victorian bureaucrats who were also active in the early initiatives, as purveyors of the 'cultural process' who, as Simon Frith suggested, found that popular music provided a 'solution to the problem of being an intellectual' (1992: 179). More particularly, they also became involved in the cultural process because they saw solutions to practical and industrial problems, with political spin-offs, such as the attraction of the youth vote.

The title of this section reflects the overwhelming evidence that the policy opportunities in popular music were taken up by a new generation of ALP politicians and Labor activists from the late 1970s, especially from 1982-1983, when Labor Governments came to power in Victoria and Federally. They in turn, linked up with like-minded bureaucrats to encourage the implementation of their preferred policies. This relationship between politicians and bureaucrats is not altogether clear. Aspects of the political and policy apparatuses of the state may not always work in harmony to seek shared objectives in a symmetrical relationship, despite suggestions to the contrary, for example, as the popular music policy formulation theory suggests. Nevertheless, I am proceeding on the evidence that indicates that the disjunction between politicians and bureaucrats was not entirely counter productive. Nevertheless, they operated in an environment of distrust and occasionally resentment towards each other, which is reflected in strongly-felt descriptors such as 'bureaucratic petty self interests', 'bureaucratic fuck heads' (Steedman Interview 1992, Stephen Interview
1993). This was because activists on the left of the ALP had to engage in a process to convince politicians that they should take the policy idea of popular music activities and trust its implementation to bureaucrats who were often beyond the direct control of the Labor Party. With support from activists such as Peter Steedman and Graham Stephen in Victoria, State and Federal politicians 'worked' the existing rhetoric.

As I suggested in the chapter on the efforts of Victorian Young Labor to establish youth activities as a location for policy action within the ALP, there was no recognised environment for popular music policy. The evidence suggests that popular music was of little if any interest to Labor Party politicians, except as an exercise in attracting the youth vote.

**Generational change unrealised**

Taking the existing rhetoric into the space where positive policy activity could begin, required two rudimentary, yet fundamental constituents: information and engagement. Both constituents of the policy process should have been available in considerable measure in a group of young Labor Party politicians. In the Australian popular music policy case, a group of key young politicians entered the federal political arena at or before the 1983 Labor Party election win and played mixed roles in overseeing the popular music initiatives, or influencing them during the following years as Ministers. An examination of their birth dates indicates that in 1983, with the exception of Susan Ryan, none of the Labor Party politicians were 40 years old or over. The Prime Minister, Bob Hawke was relatively young at 54.

While age may be of little overall significance in many political and policy considerations, the linkage between those people in western capitalist societies who grew up with popular music and maintained an interest in it is significant in discussions of the history of contemporary popular music developments (Middleton 1990, 7-11, Grossberg
1992). Detailed research has suggested that as people age they maintain their musical preferences, so that people who grew up listening to rock music as young people will continue to listen to and use that style of music throughout adult life (Robinson and Fink 1988: 238). This may not be the case for all the politicians listed below.¹ Yet their ages suggest that the formative years of their lives were those ones, during the 1950s, 1960s and 1970s, when rock music informed a new set of social considerations and social behaviour. The following list shows the birth dates and where relevant, the portfolios held by the young Labor members. Often by the time they reached senior positions they were well past 40 years of age. However, the relationship between their experience of popular music, as the ubiquitous cultural and social activity of the years in which they were teenagers is intended to reflect on the possibilities of taking such life experiences into the policy formation process.


¹ In at least two cases during the years under review, I attended public presentations by Ministers Beazley and Willis, who were announcing or launching extensions of the ABC's Triple J national youth network. In both cases these politicians acknowledged that they had no interest in the styles of music broadcast by Triple J. They noted however, that their 'responsibility' was not to allow their taste to dominate the recognised need for youth to have access to their own music. These comments were made informally, during presentations, yet were not part of the scripted speeches. My recollection of such 'informal' comments reinforces the relevance of my methodological concerns for such information which circulates without any documentation, yet provides a potentially more accurate indication of the relationship key players may have with the subject.


The most significant people in popular music policy from the above list were John Dawkins, Paul Keating and Ross Free and one unexpected ally from the right of the party, Leo McLeay, Speaker of the House of Representatives from 29 August 1989 until 8 February 1993. Aged 38 when Labor won the 1983 election McLeay became Steedman's keenest supporter, as I shall show in chapter 10 (Steedman interview 1996). Later arrivals to Federal Parliament, such as Michael Lee as Communications and Arts Minister, and Senator Peter Cook as Minister for Industry, Science and Technology and Duncan Kerr, Attorney General, played a role in discussing and attempting to resolve popular music policy issues in the mid-1990s, by which time the popular music policy moment had passed.
Generational arguments turns in part on extra-political rhetorics, which add cogency to my argument about the relevance of youthfulness coupled with the social relevance of Labor during the 1980s. For example, considerable publicity was attached to Paul Keating's management of the 1960s Sydney band The Ramrods. The cultural baggage associated with his involvement was used as a background for creating political cues for a politician who did not appear at ease with popular music and who praised the virtues of classical music, esoteric architecture and seventeenth century French clocks (Carew 1988). However, this youthfulness was exploited in political campaigns merely as a background to the rough and tumble of politics during the Hawke years of the 1980s. As I will indicate, the generational links to popular music had a relatively important role to play in the policy process, during the McLeay Report hearings and in the final recommendations.

Age was publicly exploited by Labor later, during the 1993 Federal election. Riding on the back of a shift in age of the US President, Bill Clinton, Paul Keating borrowed from Clinton the term 'generational change' to define his attempts at creating a Labor vision for Australia (The Age, 21 October 1992: 7, Gordon 1993: 7). He used the term to differentiate himself and the ALP from the conservative parties, constructing a sense that the Liberal-National Party coalition was backward-looking in its policies. In exploiting the age of Labor politicians, Keating promised 'a baby boomer Cabinet' during the March 1993 election campaign (Taylor 1993: 4). Keating won the election, yet looking at the sequence of events, by 1993, a youthful team of politicians who were first elected to Government in 1983, were no longer as fresh faced as they had been a decade earlier.

More significantly, Keating was not alone in this rhetoric of age and the quest for relevance, in what can be seen as a quest by political parties to attract the youth vote. In 1990, the New South Wales Minister for Health and the Arts,
Peter Collins announced 'a special allocation of $50,000 for support of rock music, a previously undervalued area of contemporary music' (Cochrane 1990: 9). This proved, editorialised the Sydney Morning Herald journalist, that Collins's 'seemingly coveted Paul Keating's street credibility', generated by his management of the Ramrods, as well as proved that Collins's passion for rock was 'equal to Keating's and just as long standing', as Collins himself put it (Cochrane 1990: 9). In 1992, Dr John Hewson, the leader of the Liberal Party, had referred to Clinton's election victory, saying, 'America had clearly voted for a generational change of leadership' (Metherell & Johnston 1992: 12). By the 1990s, the generation of conservative politicians who grew up with rock began to draw on their own links to their youth, leaving the ALP with little room in which to differentiate itself as a party of youth and popular entertainments, tainted with images of reform and change.

The opportunity by Labor to exploit the age issue was lost by 1993. By the 1990s, Labor politicians attempted to remake themselves, taking an active interest in the subsidised arts, evidencing little if any understanding of the existing music industry. Certainly the change in concern for the creative sector came late, after the grand symbolic issues of economic reform such as floating the Australian dollar had been achieved. Once again it was during the 1993 election campaign that the most explicit statement was made on the importance of the Arts—certainly not the popular music industry, which had to wait until the following year to enter the arts through a focus on cultural industries. During the campaign, Keating promised 'to put cultural considerations into the mainstream of decision making', while also committing himself to making the Commonwealth Arts Minister a member of Cabinet (Neill and Porter, 1993: 6). This followed an accumulation of government and bureaucratic activities involving detailed reports on the Arts, culminating in the announcements made in Creative Nation, the Federal
Government's defining arts policy statement of October 1994. It included popular music, which had the appearance of an afterthought rather than a key initiative, which had to wait for the Federal Government to convene a contemporary music summit in 1995. In turn, the summit arose from the activities of committed individuals who could pressure the government to incorporate popular music into its cultural policy considerations (Creative Nation 1994: 30). More importantly, Creative Nation acknowledged that Australia's potential to maintain an indigenous popular music industry had been inadequately addressed and that the time for active engagement with popular music policy had to be made up by recourse to the summit. Yet by 1994, bold popular music policy statements seemed like the panic of a government attempting to make up lost ground.

The Government recognises that there is current concern that the wave of successful Australian recordings is declining. Particular concern has been expressed that government cultural agency support has favoured other musical forms over contemporary music (Creative Nation 1994: 30).

Yet this panic was combined with a form of policy appeasement of those who believed the government did not have an adequate approach to popular music policy by 1994. In the context of the Arts, popular music was a poor relation to the subsidised arts sector, where the rhetoric was linked to notions of inclusion and access. As I will show in the next section, it was the vigorous, often polemical activity of one or two uniquely engaged individuals who initially brought the specific rhetoric of popular music into synchronisation with the policy process, which produced a history of inadequate responses by government.

Rugged Policy Individuals

Peter Steedman

Of the recognised group of politicians who were defined by their generational difference from previous Australian governments, the most important was Peter Steedman. A long
term Victorian ALP activist and journalist Steedman was born 7 December 1941 - 'the day Pearl Harbour was bombed' - making him 42 in 1983 (Phone Interview, 1996). Steedman's powers of communication were greatly underestimated by people who believed his blustering manner as the larrikin 'wayward rocker of politics' was the extent of his talent (Freeman-Greene 1990: 11). Well before he was elected as the Federal member for Casey in 1983, he had been involved in progressive issues. He lost his seat in the Federal election of 1984, after which he committed himself to seeing popular music policies implemented. His years as a Labor party member and his year in Canberra taught him who the power brokers were in politics and the bureaucracy. Off-the-record comments suggest that his personal fury at his loss in the 1984 election engendered more rather than less constraint in his persona, with suggestions that he would virtually 'kick down the door of Treasurer Paul Keating's office and demand money for rock and roll'. That such apocryphal anecdotes were in circulation served to raise Steedman's standing among some of his supporters in the ALP and others who came to see him as a vehicle for popular music policy. Steedman did little or nothing to suppress his roguish mythology, indeed added to it in public utterances.

The basis of the company's (Ausmusic's) survival, without me being too smart about it, has been the way that I operate in the political arena - blackmail, thuggery, who I know and what I know that you did 30 years ago that no one knows yet (1992 CIRCIT seminar).

Against this background of forthright bravado sits the astute and committed political person. Steedman was adept at recognising a social issue from which political benefits could flow: in youth and popular music he recognised a ready-made combination and sought to exploit them (1992 CIRCIT seminar). By his own admission, Steedman was 'involved in every key popular music policy initiative during the time Labor was in power in Victoria and Federally' (1992 CIRCIT seminar). This claim is disputed by
Graham Stephen, who began working with Steedman in 1985, at about the time popular music began to surface as a publicly funded event in Victoria (Stephen Interview). I will discuss the details of Stephen's individual contribution to popular music policy later. Yet both Steedman's and Stephen's accounts of the developments recognised that the formal policies and their implementation resulted from a convergence of interests: available funding; their opportunistic ability to identify the rhetorical space the ALP opened and provide the necessary subsequent set of arguments for establishing the institutional structures that ultimately came into being; an agreeable political environment.

Steedman, unlike Stephen who came from an arts administration and event management background, had a particular passion for popular music. The Age headlined its 1990 profile of Steedman and Ausmusic, of which he was executive director: 'Guardian of the rock and roll industry' (Freeman-Greene 1990: 11). Steedman, the article says, 'found himself drumming up support for an industry that had been ignored by governments until they realised how much money it was making' (Freeman-Greene 1990: 11).

For Steedman, this was a key part of the story. His interest in popular music had seen him involved in it as a student, when it was used as part of a well orchestrated organisation in the anti-Vietnam rally era, with Steedman maintained his critique of international music culture from this time, referring to 'the copycat mentality' of Australian rock'n'roll in the 1950s (1992 CIRCIT seminar).

Furthermore, he expressed disappointment at the unoriginality of early Australian rock and roll, when 'cover versions of US hits by Australian stars' such as Johnny O'Keefe and Little Patty were the only locally originated music on offer (1992 CIRCIT seminar).

His historical view was further coloured by a sort of historical resentment of the failure of Australian rock and roll on the global stage. The Australian music that
inspired Steedman's youth was not translated into global success for those bands. That occurred for different performers in the 1970s and 1980s, especially bands such as Men At Work, Little River Band, INXS, Midnight Oil and Kylie Minogue. Steedman drew on his emotional attachment to the failed past, using it to support his quest for popular music initiatives that would minimise the risk of global failure for Australian popular music this time around.

Why did the Easybeasts die? Very simply. They had great records, they went to England. They had no management, they didn't know what they were doing. They had no marketing plan. There was no industry base, there was no training, no knowledge, there was no way they could get that information. You had to go and try it and jump in the deep end (1992 CIRCIT seminar).

His anxiety was not assuaged by the remarkable popularity and commercial achievements of Australian film. He identified the failure of education and training as a cause for the global failure and the inability of Australian music to succeed on its own terms, without the domination of multinational record companies.

Within this industry there was no way to get in. Acts were starting to break, we were becoming the flavour of the month in America. Crocodile Dundee had just gone through. There was no solid base. There was no educational training, there wasn't any basic promotional activity. There wasn't any working together of the industry. There was no cross referencing between radio and the records, or the managers or the needs of people. There was no marketing strategy of how to do it. It was particularly so in areas of women. There was no way into it, except the traditional areas of the casting couch, it seemed, alleged, apart from a few of the artists and there were no ways where people, particularly young people, could get into it (1992 CIRCIT seminar).

Steedman moved to make popular music a tool for the ALP. He maintained the sense, expressed in the above quotation, that an infrastructure for popular music was required to

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assist a coordinated industrial program. After 1984 he lobbied Ministers and bureaucrats in Canberra, especially when he worked as an adviser to the Minister for Trade John Dawkins. More importantly, he helped orchestrate a series of reports and briefings that directly influenced those he sought to influence.

He took existing material, such as the 1985 and 1986 ABT reports *Young Australians and Music* and *Australian Music on Radio*, and used them as evidence for the rhetoric he generated that turned on the concept of youth tastes in popular music and the failure of governments to be directly involved in such areas of activity. Similarly, he ensured that when the Department of Foreign Affairs and Trade undertook an internal investigation of new export markets for Australian services, music was identified as an export earner. The Department recommended that 'nothing be done about music exports', Steedman recalled.

I suggested to the Minister at the time (Dawkins) that something be done about it... that he overrule his department and we go ahead with it (1992 CIRCIT seminar).

In 1986 the Australian Trade Commission (Austrade), the Australian Government organisation responsible for export market developments, undertook an assessment of popular music in response to advice from Trade Minister Dawkins. The resulting report, titled *Australian Rock Music Industry: Export Assistance*, provided evidence to Minister Dawkins that the Australian music industry fits well into ... 'a pattern of manufactures and services' which are 'the growth areas of the world economy' ('Export of Australian Rock Music', Media Release 26/11/1986). 'Out of this' said Steedman, 'was set up the Rock Industry Advisory Committee reporting to Austrade'. Steedman was a member of the Committee. Similarly, Steedman was instrumental in establishing the McLeay Report's focus on popular music within the arts subsidy funding context of the Australia Council. This public document served to promote the need for popular music initiatives, such as a central music
industry body, which would provide services to the existing industry as well as a facilitator for music industry training and development. In response to Chapter 10 of the McLeay Report, Steedman's ambition was to establish Ausmusic with a steady source of funding from a blank tape levy, which I will discuss in a later chapter.

In order to achieve the Ausmusic objective, Steedman had to convince a sceptical Federal Cabinet of the benefits of supporting popular music initiatives. It was at this point that the background of activism and personal contacts came to Steedman's assistance. He prepared a 1987 Cabinet submission, based on the reports already in circulation, recommending the establishment of a national, Federal Government funded, popular music organisation.

The lead up to the Cabinet submission was made up of a series of reports and the recommendations followed through from the various recommendations made elsewhere for funding assistance, establishment of the foundation and the projects that it could do. You will note that how we started off and what we wanted to do is totally different because of the fiscal situation (Steedman Interview 1992).

As I indicated, the blueprint for Ausmusic was established partly due to Steedman's remorseless commitment to his plan for a national popular music coordinating institution, which he effectively promoted. His impeccable contacts at every level of Federal Labor as well as his close association as a consultant to Minister Dawkins made his task easier, while isolating his proposals from the processes of the bureaucracy and the existing popular music industry. Later, the absence of strong relationships in these sectors would challenge the long term viability of his program.

Steedman's links were not entirely Canberra centric. His base was Victorian and is was there that he found ready support for his idea to promote a national music industry training organisation. Such ideas were already in circulation however, due to a series of popular music
performance events held in Victoria: in 1985, 'Rocking the Royals', a popular music event held for Prince Charles and Princess Diana; 1986 'Rocking the Rails' and late in 1986, 'Rock the Docks'. Steedman already had some success in 1985 with 'Priority One', which was an early exercise in appealing to the youth vote using popular music: it was, acknowledged Steedman about 'politics and youth' (1992 CIRCIT Seminar). I will discuss it in detail later.

These events brought Steedman and Stephen to the same table, but as I will explain in the next section, Stephen's motivation for entering the popular music policy arena differed markedly from Steedman's. Yet Stephen found that Steedman appreciated the importance of working with existing music industry entrepreneurs in Melbourne: Mushroom's Michael Gudinski, Promoter Paul Dainty and his assistant Jenny Keith, Promoter and Investor Irvin Rockman. They all fell for Steedman's "Ah, I can do this, Ah I can do that...! Great little show boy, etcetera, etcetera. The ones they really disliked were the bureaucrats, the wankers who promised the world who couldn't deliver (Stephen Interview).

From Stephen's perspective, the music entrepreneurs were the 'big boys', who recognised the merit in Steedman's education and training proposals, especially in providing a skilled pool of band managers. They were men of action who encouraged the implementation of activities that would produce knowledgable music industry workers. Unfortunately, the view that bureaucrats were ignorant made the policy discussions not merely lopsided, but decidedly antagonistic.

Graham Stephen
The reference point for Graham Stephen's involvement was, as in Steedman's case, observations of music activity and wrongful exploitation in his childhood and youth, which he saw first hand as an adult. He referred to his brother's experience as a musician being 'perpetually ripped off' as
the basis for his interest in unionising the live music business and thereby guaranteeing the flow of public funds from promoters to musicians. Working in the context of the management of Melbourne's Moomba Festival, Stephen noted that his brother's poverty as a musician was writ large due to the existing system of payment for musicians. Stephen's view was that event organisers accepted a quotation from a promoter and then paid the promoters the scheduled fees, including a fair rate for the hire of musicians. According to Stephen, despite a contract to pay a fair amount for a public performance, the musicians would be 'paid something like $20 for a performance' (Stephen Interview 1993). This observation came to manifest itself as a personal investment in establishing processes whereby fair trading in the marketplace could be provided for rock and pop musicians. Stephen's solution was to organise public events and institutions, such as the Victorian Rock Foundation, which offered union-acknowledged rates of pay.

The context behind Graham Stephen's involvement was initially personal yet the articulations of those interests were multi layered, as an intensive interview with him indicated. The related activities in Stephen's involvement in the policy process can be identified as: the observation, over many years, of his brother's exploitation as a musician; his involvement with and the power relations incorporated in his management of major public music events, such as Moomba and 'Rocking the Royals'; his activism within the left of the Victorian ALP; his contacts across the bureaucracy and union movement; his personal initiative in writing a paper about popular music events that would be funded by the 1988 Australian Bi-Centenary Authority. I am not going to detail all these aspects of Stephen's involvement. Rather, in order to answer the questions posed above I will identify the most relevant points.

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2 The detailed interview I conducted with Stephen was complemented by our joint membership of the board of the Victorian Rock Foundation. Peter Steedman was also a member of the board at a time when I was a member from 1990-1996. It is relevant to the research process and to the politics of
As a self-proclaimed 'gay leftie', Stephen worked closely with other males of similar sexual orientation. While I do not intend to analyse his sexuality, his associations with other gay activists played a part in encouraging him to identify opportunities and work with a small groups to generate change. He made this point clearly in the interview and informally. Having worked as the artistic director of Moomba (1984-1986), he established contact with Peter Steedman, Jimmy Beck (Moomba music co-ordinator), Adrian Gough (Moomba events co-ordinator) and Chris Minko (procession co-ordinator, musician), not all of whom were gay. However, in detailing his activities as a gay person and trade unionist, he made it clear that he saw himself as an outsider seeking to introduce a new range of opportunities and fairness to musical production. He had no reservations about identifying opponents: 'The real enemy of the popular arts are the arts bureaucrats: right wing faggots and the arts mafia' (Interview 1993). Stephen's involvement in popular music policy grew then from a radical position of opposition to the existing arts administrators in Victoria, his outsider status as an ALP reformer and the practical realisation that in association with other activists, policy solutions could be provided.

I will briefly outline the sequence of events that led to the formation of the Victorian Rock Foundation, which was the ultimate result of Stephen's activity. In indicating the process of development, I will show how the incremental approach to policy development was limited by Stephen's views as a outsider. The result of this approach was to isolate the widest possible base of participants from the policy building process.

Stephen identified himself as an arts and event administrator/producer, not as someone with a working cultural studies that the academic work is informed by personal commitment to cultural action. Perhaps more significantly, the element of trust between interviewer and interviewee produces informational details which are unique because of the relationship that informs the questions and answers.
interest in popular music. Nevertheless, as part of his involvement in Moomba and the ALP he was invited to assist in organising Victoria's 150th celebrations in 1985 Rocking the Royals made it clear to Stephen that popular music was a potentially rich site for including the existing music industry in government activity.

After 'Rocking the Royals' we saw that there was this huge gap there. There were all these wonderfully rich, nasty capitalistic entrepreneurs but there was no access to it.

Stephen had already identified the need to train musicians and generate a popular music infrastructure and with Steedman's encouragement they proposed a paper on music industry training schemes, which is no longer extant, with even the title forgotten. The effectiveness of 'Rocking the Royals' as a public event generated support from the Department of Premier and Cabinet and the 150th celebration organisers, who 'got to meet all the pop stars. They thought that was wonderful' recalled Stephen (1993 Interview). As a result of the popular music events in Victoria and proposals for public events, the Bi-Centennial Authority had allocated funds for a youth event in Victoria at about the same time that 'Rocking the Royals' was seen within government circles as a success. With $400,000 allocated by the Authority, the plans that were in place for popular music infrastructure training were quickly mobilised by Stephen and Steedman and their small, but increasingly influential band of cohorts, which included the festivals unit within the Victorian Department of the Premier and Cabinet, managed by Graham Dunstan.

They put all this money aside. But we thought why piss it up against the wall for one-off concerts when we could try to get some long term initiatives happening out of it. So we wrote a couple of draft papers which we presented to the Bi-Centennial Authority to try to get this up. Then they offered me a job as the lead project consultant to run the arts in the state.
From a position of considerable strength as an arts administrator and Labor Party member, Stephen was able to direct popular music activities within the defined space of the Bi-Centenary and the opportunities that flowed from a well funded event. The senior administrative arm of the Victorian Government - The Department of the Premier and Cabinet - provided a lever for Graham Dunstan, its senior officer, to approach key music industry members. Using the Bi-Centennial paper authored by Stephen, Steedman and friends as his ammunition, Dunstan approached 'all the commercial entrepreneurs'.

They had two thoughts: first thought was, who is this fuck wit running around trying to create a job and point two was we could smell money here because this fuck wit is giving us figures. So all the commercial entrepreneurs said "Yeah, come in, fuck head" (Stephen Interview 1993).

To Stephen this was an embarrassment and a victory. Steedman had already established contact with Victoria's key industry personnel and the door was opened to a bureaucrat. The use of Stephen's 'paper' as the basis for the Bi-Centennial and the VRF caused considerable personal animosity between the ALP's political organisation such as Stephen and Steedman and Victorian Government bureaucrats. The resulting view was that 'the mainstream entrepreneurs were very good. A deal was a deal', while 'the government bureaucrats...were fuck heads'. As Stephen added: 'I think most bureaucrats are brain dead. They have no concept. They don't understand the commercial process' (1993 Interview).

This hurdle was insurmountable. This was due to what the ALP activists viewed as the inability of bureaucrats to recognise and implement the original ideas with the requisite dedication and skill to negotiate with commercial popular music entrepreneurs. The failure of the bureaucracy was its limited knowledge of the existing music industry, as a senior Commonwealth bureaucrat acknowledged after the McLeay Report (Harlow Interview 1992).
Yet, despite the failure of the ALP activists and bureaucrats to reinforce each other's efforts, the outcome of Stephen's involvement was positive. In particular, as well as his co-ordinating skills, he brought intensive involvement of arts related unionism of the mid-1980s with him. In 1987 he was a co-founder and member of the 'Community promotions joint billboard and milk carton arts marketing venture', sponsored by the Building Workers Industrial Union and the Painters and Decorators Union. In 1988, as a member of the Operative Painters and Decorators Union he was a member of the Victorian arts and entertainment industry training board, as a sector group member, which included representatives of the visual arts, community arts, performing arts, radio and audio arts and trade union sector group representatives (Stephen Interview 1996). These political and union activities clearly coloured Stephen's involvement in the VRF. When the VRF was established as part of the Bi-Centennial events, Stephen recalled the intention behind its initial event, the Melbourne Music Show

Basically to introduce unionism to rock and roll. Having worked on Rocking the Royals - and people sucking up all the money and setting up the Moomba stages not using union labour in all the events we did- we decided there needed to be union involvement, industry training involvement.

Yet the interests of the ALP in government played a more important part.

Where unionism was failing the Labour Party, popular arts - rock and roll gave the opportunity for the party to go that it could get its message to the youth to the next voters... Let's face it the real issue was votes. That's why the Liberals agreed to support Ausmusic, because they could see that music would give them access to the youth vote.

In answering the questions posed at the beginning of this chapter, I have indicated that there were dramatic flaws in the process of popular music policy development. Federal ALP members who could have made a difference to the
process, because of their age and expected musical knowledge, did not initiate the policies. This had to come from key individuals. Moreover, these individuals required the personal interest, experience and contacts to carry their own visions to some sort of resolution. Remarkably, in both cases they did - Steedman becoming executive director of Ausmusic, Stephen becoming a board member of the Victorian Rock Foundation. Yet, while the individual efforts were extraordinary, they were unhelpful in the broader context. The animosity from Steedman and Stephen towards bureaucrats alienated them from the mechanisms within the bureaucracy, producing distrust. As I will show in later chapters, this was to produce limitations on the benefits the policy initiatives could produce. Nevertheless, both individuals were able to produce events and institutions which were remarkable achievements.

Of the issues raised in this chapter, a further one is especially pertinent: the informal and undocumented nature of these discussions and documents. Neither Steedman or Stephen have in their own possession full, or original copies of all the documents mentioned. It was to be at the next level of activity, namely the bureaucracy, that public documentation of policy initiatives came into circulation. It is important to note therefore that the popular music policy process relied on informal networks and the actions of small groups of activists who were committed to policy outcomes. In many respects, official policy reports in the form of public documents served to consolidate and confirm the informal activity. The importance of the informal activity is that it identified the problem and mobilised government to provide a policy solution, based largely on the commitment of Labor Party activists. That the solution should be in the form of ad hoc programs like Priority One, Rocking the Royals and the Melbourne Music Show, the latter based on the unexpected Bi-Centenary funding source, was a severe flaw in the process of rational policy construction and development.
In the next chapter I will indicate the popular music context of the 1970s and 1980s, in which the activities outlined in this chapter flourished. Indeed, as I will show, the articulation of national consciousness to popular music enhanced the policy climate, as the rhetorics that the music generated made it possible for Steedman and Stephen to promote their policy ideas and activity.
Chapter 9

Practical rhetorics

In the previous chapter I examined the role of particular individuals who directly influenced popular music policy, bringing it into the public arena. This emphasis could overstate the examination of the origin of the policies, to the detriment of the music and its circulation within society. Predictably perhaps, official documents and recollections skirt over the real world activities which the policies sought to influence, thereby providing a misleading perspective of practical human and social behaviour. My popular music policy formulation theory seeks to avoid such practical pitfalls by acknowledging the process involved in the creation of music and its relationship with the industry and audience. It can be described by 'critical practice', which keeps cultural studies conscious of and relevant to the social world of production (Wolff 1992: 713). Janet Wolff has suggested an inclusive kind of social discourse theory which she defined by the term 'dialectical realism'. This approach is one, says Wolff,

in which the cultural constitution of social objects, social groups, and the social world is fully acknowledged, and at the same time the persistence, effects, and power of particular subjects, processes, and institutions is recognised (1992: 712).

Dialectical realism attempts the task outlined in the earlier chapter on institutional economics - it recognises the relationship between culture and economy, and adds weight to the less defined social environment of human behaviour and intuition.

In the terrain in which policy rhetoric operates, an intuitive domain is directly linked to human experience and

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1 Some of these issues have been cast in a more detailed light by Jameson in his analysis of Adorno's work, in particular the 'Culture Industry'. Jameson notes the intensification of cultural production as part of contemporary social life, suggesting that 'the contemporary concept of culture is itself to be grasped as a reflex of the tremendous expansion of the cultural sphere and the acculturation of daily life since the 1960s' (1990: 107).
an abiding effort to improve society. This is a further component of the 'positioning rhetoric' to which I referred in the previous section, where the task of differentiating youth within the broader perspective of the ALP and pluralism was undertaken. The intuitive component involves appeals to those forms of positive knowledge which will provide a better social life, in what Bennett has suggested may establish directions for thinking about the possibility 'of a politics which might take the form of an administrative program' (1992: 29). Rhetoric relies on the relationship between abstract ambition and practical manifestation, which is not readily quantifiable, about which agreed objectives can be established. Rational programs and social provisioning provide such objectives, yet cannot resolve the need for a negotiation between intuition and measurement. Rarely is this more evident than in the context of the music itself and the social environment or tone the music generates at specific moments in society. Particular examples of popular music can be identified which produced a cultural nationalist moment, as part of the social discourse of the 1980s.

In this section I will look at four significant popular music events of the 1980s, and suggest ways in which they produced the rhetorical domain in which popular music culture could be articulated to policy objectives. I will argue that this led to a new set of industrial considerations being established that sought to overcome the neglect of popular music practice in the cultural policy field. I will indicate the ways in which cultural and national symbols created by popular music activity influenced policy by producing an evolving accumulation of rhetorical force which brought together intangible feelings about the 'value' of popular music to governments of the day, while simultaneously attracting the attention of policy makers to the measurable outcomes of popular hit songs. In this sense then, I will use the examples as evidence of the operation of the cultural and social elements of the music policy formulation, identifying sites
that are part of the process of policy making (O'Regan 1992: 520-521).2

The four historically notable 'events' are:

(1) Men At Work's 1981 hit single, 'Down Under' and the band's enormous impact on national consciousness;

(2) Midnight Oil's effect on the Australian music scene;

(3) Kylie Minogue's significance for the industry, especially Mushroom Records;

(4) the appeal of live Australian popular music.3

I will argue that these four events can be matched to the following four effects:

(1) raised national consciousness;

(2) consolidation of demand for local music;

(3) economic benefits of pop star hits;

(4) music and youth culture in an export context.

Inner city rhetoric

These developments were part of a general change in the development of popular music in Australia. This thesis is not however, focussing on what has been termed 'the Australian sound' which is a minor debate restricted to limited musicological concerns (Zion 1987, Turner 1990 and 1992: 13, Garofalo 1991: 330). Instead, I am examining the shift in Australian popular music activity in the late 1970s, following the influence of punk in the UK and the US and the basis these activities built for the 1980s boom in Australian popular music. Growing in venues in Melbourne and Sydney, the 'inner city sounds' ushered in an era of confidence amongst writers and performers: even its history

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2 O'Regan puts the point succinctly, although with too much emphasis on the symbolic, which in reality must have a practical manifestation: '...a thoroughgoing policy analysis would have to countenance the possibility that certain policies are largely symbolic, and are best analysed as part of governments' information and promotion strategies' (1992: 521).

3 I am referring to 'events' here in the sense in which a historical perspective calls for a set of contingent activities to be identified, with the result that the caustion is defined as a type of determinism, which can be judged by certain specifically identified 'human actions' 'which are in principle ascertainable' (Carr 1990: 95). Investigation of the caustion - in this case the impact of these four 'events' on policy considerations - will establish more clearly the way in which policy may be determined as part of the historical evolution of the policy environment.
has been written with a flair for the rhetoric of national music making and industry development which flowed directly from it in the 1980s and 1990s (Walker 1982).

The Inner City Sound is not elite; it wants success. But - and here's the rub - it's without compromise. Because the Inner City Sound has a vision of its own (hacks don't) which must be fulfilled.

The Inner City Sound is at best, one of passion, intelligence, individuality and innovation - and integrity. And if it ever seems at all inaccessible that's only because it's not exactly what the Oz rock establishment has taught is accessible (Walker 1982: 6-7).

As an influential rock music journalist, Clinton Walker was (and still is) a protagonist and promoter of independently owned, produced, market and distributed Australian rock music. His interest in the inner city sound stemmed from the hope that this 1970s 'event' may have spawned a genuine Australian rock music. Certainly it was yet another of the manifestations of the cultural nationalism of the time.

Walker's rhetoric provides a snapshot of how the social activity associated with a particular style of Australian popular music could be translated into an industry context. It does this by engaging with the Other of the rock music establishment, which includes the major record companies, or 'the majors', suggesting that a new moment of popular music activity had emerged (Walker 1982: 6). This moment found its expression in the creation of an industry, which did not need to reproduced the existing industrial configurations.

So a minor industry sprang up as an alternative to the Oz-rock establishment and today it flourishes, providing for a small but hungry audience (Walker 1982: 7).

The articulation of youth to the Inner City Sound and an emerging industry cannot be marginalised to a territory outside of the activities of the mainstream, despite the protestations of writers such as Walker. Historically, as Nick Cave has suggested, the attempts at isolationism from
the mainstream by inner city sound advocates such as Walker, was unhelpful for musicians and bands keen on careers in popular music (Hutchison 1992: 9-10). This was an attitude that 'blew over' (in later years) according to Cave (Hutchison 1992: 10). It blew over as the energy of new Australian music that motivated Walker's rhetoric made its presence felt in the living rooms of Australians listening to 'the general wave of new music' that had much of its gestation in the inner city, as Iva Davies recalled (Hutchison 1992: 16). By the mid-1980s this new inner city energy impacted on the concerns of the 'majors' when the full impact of these events and the associated rhetoric had percolated into the policy making processes of the ALP in government.

**Popular song lyrics and national consciousness**

It is tempting to place strong emphasis on the development of national consciousness through popular music, although a contextual reading works against any singular interpretation. However, the intangible qualities of the rhetoric generated by national images help to build and sustain a set of images about what a nation might be (Turner 1994). As I mentioned in the earlier discussion of post-colonialism, these images can be ones that enhance a set of complex relations. They constrain the sense of nationhood, while amplifying it, especially when they were taken up by the existing music industry. This marked a shift from the ambitions of the alternative set like Walker, whose aspirations were that the Inner City Sound would become the standard for Australian popular music. The appearance of Men At Work's 'Down Under' drew on images of Australians travelling the world, to be promoted and given prominence by the existing music industry. Its moment arrived to exploit cultural nationalism in the context of 'global career acts' - home grown achievement translated into global ambition (Negus 1992: 55). 'Down Under' maintained a keen sense of Australian symbolism, while unravelling it with humorous visual images.
'Down Under'

Travelling in a fried out kombi
On the hippie trail
Head full of zombie
I met a strange lady she made me nervous
She took me in and gave me breakfast

Chorus
Do you come from a land down under?
Where women glow and men plunder
Can't you hear, Can't you hear the thunder?
You better run, you better take cover.

I brought bread from a man in Brazil
Who was six foot four and full of muscle
I said do you speak-a my language
He just smiled and gave me a Vegemite sandwich.

(Colin Hay/Ron Strykert/April Music Pty Ltd, 1981)

The song was part of a bouncy, reggae musical style in pop music that readily fit into the global market. A global sound, based on musical competency, meant that Australian music could be mainstreamed, according to musical fashion and record company promotion (Smellie - 1990 and Handlin Interviews) 'Down Under's' primary text bespoke young Australians who toured the world with their social and national reputations intact. It did what popular music often does: it amplifies commonly conceived notions. 'Down Under' suggests a stereotypical young Australian traveller of the 1970's, freely roaming the world and discovering that Australia was already well known, by the attitudes and behaviour of its tourists. The song referred to these attributes by drawing on institutions and symbols, such as Vegemite. Australians and their culture had made a mark all around the world, the song was confidently saying. Indeed, as Melbourne's Age newspaper suggested in 1996, when Men At Work announced they would reform for at least one concert, 'Down Under' was identified as 'an unofficial national
anthem’ (Claire 1996: 6). The song reinforced the claims of
the ALP's 1979 report, mentioned earlier, that Australia
was moving towards a new state of global engagement. The
band's appeal was also seen as a central point at which a
mature Australian pop music industry consolidated the
aspirations of writers such as Clinton Walker, as
'independent and unapologetic' (Douglas & Geeves 1992:
111). Conversely, the international appeal of AC/DC (from
1976 with the album *TNT*) and Little River Band (from 1976
with its first album *Little River Band*) suggested the
possibilities of an indigenous music recording industry
(Warren Cross Interview 1991). For Men at Work, the ground
work had been achieved by these earlier band's efforts,
with the appeal of 'Down Under' considered by Men At Work's
saxophonist Greg Ham as 'just part of the cumulative effect
of Australian acts going over there and establishing
themselves. It was like a groundswell that helped us as
well' (Milson and Thomas 1986: 71). The existing music
industry absorbed these bands into their global activities.

'Down Under' was a popular hit in territories outside
Australia, especially the USA. This reinforced the belief
in Australia that while Australian popular music consumers
understood the jokes and the musical sense inherent in the
song, so too did non-Australians. This served to confirm
the maturity of Australian popular music and its ability to
circulate around the globe, to compete as commercial
product. National symbols, like Vegemite and the wandering
Australian traveller were part of the global exchange of
popular culture. It played a part in building a rhetoric in
favour of popular music policy, by endorsing Australian
symbols and images and thereby engendering a sense of
national consciousness tied directly to popular music in
the early 1980s.

The popular appeal of the music was accomplished initially
by the band's appeal to national symbols. This in turn
became a rallying point for the media to champion the
moment at which a mature Australian music appeared capable
of being sold in large volumes in Australia and overseas. Of special note was the 2983 coverage by the weekly national newspaper The National Times. On the basis of Men At Work's Business As Usual album, sitting at number one on the US Top 40 charts for 15 consecutive weeks in 1982-1983, the newspaper carried a feature article titled, 'Men At Work: how they cracked the US Top 40' (Thomas 1983: 14-15). The article was a celebration of the band and the estimated $27-$30 million retail value of the album's sales. The band had achieved 'stunning global success' trumpeted the writer (Thomas 1983: 15). The article also served another purpose, which Neil Spencer, the editor of the New Musical Express ('contemporary rock bible of the UK') described:

Of course, Men At Work have made people aware that there is such a thing as Australian music (Thomas 1983: 15).

The previous week The National Times carried a less triumphalist feature article titled 'Ozrock's US invasion? It's an illusion' (Elder 1983: 21-22). Here, it was suggested that men At Work's 'success has consistently been misrepresented in Australia. Journalists and the idiot savants of the music industry have been eager to talk in terms of an "Aussie invasion" of the American charts' (Elder 1983: 21).

Yet Men At Work clearly have had an important effect on the Australian rock scene. They may not have opened doors for Australian musicians overseas, but they've done wonders for those who stayed at home (Elder 1983: 21-22).

Such media rhetoric confirmed the place of Men At Work in the broad context of growth and maturity in the Australian popular music scene that achieved a fresh confidence in 1983-1983.

Midnight Oil reworked nationalism almost to the limits of tolerance. Their pedagogic approach to popular music making was unashamedly political, using music as a tool for
educating Australians about the issues of the day. 'They consistently engaged in the sphere in which the musical and political processes intersect - the sphere of social change', suggests Steggles (1992: 139). They withdrew from this approach by the mid-1990s, suggesting instead that their contribution should be remembered for its 'energy', rather than as a vehicle for 'change' (Masterton 1993: 5). However, 'The Oils' confidently broached subjects that reflected the confidence they had developed in live performance in the surf music subculture of the clubs around the Sydney coast (Midnight Oil biography, *Earth, Sun and Moon*, 1993). Their fan base was built out of their exhilarating live performance reputation in the Sydney club scene. Their lead singer Peter Garrett was to become a spokesperson for popular causes, such as the anti-uranium movement and Greenpeace and stood for the Australian Nuclear Disarmament Party in the Senate in 1985. The significance of the Oil's lyrics was drawn from detailed national imagery, built on notions of an independent Australia and linked to 'sensibilities that have been the backbone of the band ... political activism, conservation and environmentalism' (O'Regan 1990: 60). The 1982 song 'US Forces' gives an indication of the force with which an anti-American, pro-Australian independence case was put:

US forces give the nod  
It's a setback for your country  
Bombs and trenches all in rows  
Bombs and threats still ask for more

Chorus:  
Sing me songs of no denying  
Seems to me too many dying  
Waiting for the next big thing

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4 By the mid-1990s as the band's light was fading, one critic noted the limitations of the band's approach to issues: "When they want to throw something, Midnight Oil often pick easy targets. But while being predictably didactic can be anti-climactic, at least being heavy-handed means never having to pull their punches" (Taylor 1993: 15).
Divided world the CIA
Who controls the issue
You leave us with no time to talk
You can write your own assessment...
(Moginie/Garrett 1982, Sprint Music).

The lyrics spoke of US control of national political issues and the struggle for a national point of view which would not involve denial of the country's sovereignty. Certainly progressive, they traversed a range of left political attitudes common at the time, supported by hyper-active guitar band, rock music energy. This was not an issue for the band's distribution company, Columbia Broadcasting Company and later Sony, whose Managing Director and Chief Executive Officer Denis Handlin told me:

It's been a great relationship. We've been together a long time. They are such a unique band, as well, Midnight Oil. The relationship is very much that they have a lot of creative freedom in what they are all about. Our company in the US has developed a very strong relationship with them and what their requirements are. And just to see these guys do it in their own way and still convey all their strong messages. ... They're a fantastic flagship for the company, they really are. And they work very hard at it. This hasn't been any overnight success, as you are probably aware. It's been a long haul and they are very committed to their career and they are very professional, talented people (Handlin Interview).

The politics and content of the songs were important in confirming the general popular appeal of Australian bands and performers who sang of a nation seeking to find its place in the world. Alternatively, from a commercial perspective, 'The Oils' success engendered the support of CBS, despite their 'strong messages'. Later in their career, with the album Diesel and Dust in 1987, Midnight Oil were able to transfer their politics and their music onto the global (especially USA) stage. Their timing in
producing commercially viable, political rock coincided with a shift in the hegemony of tastes, following Live Aid in 1985 (Ullestad 1992). The political constraints previously imposed by record company taste makers began to fall away when the commercial viability of politically engaged music became apparent to multinational record companies\(^5\). Conversely, one writer suggested that Midnight Oil produced popular music that engaged the audience as consumers: 'people are prepared to buy this music off their own bat without being told to do so' (Wark 1993: 106). The politics of the critique within the music was 'supported from below, rather than turning out prepackaged music, promoted from above' (Wark 1993: 106). This was clearly not the case given Handlin's comments above. It suggests that the industrial and cultural aspects of the music need to come into some sort of alignment, in order to achieve considerable popular appeal. In the following section I will provide an indication of the ways in which the music industry measured the popular appeal of bands like Men At Work and Midnight Oil. Later, I will indicate how Kylie Minogue made an impact on the commercial sector.

**Commercial influence**

In this section I will indicate the chart position of the songs under consideration, but will not attempt to provide a financial measurement of the value of this position, nor the total number of sales. I will use published material, even though it is 'suspect', to show how it had a function as a rhetorical tool to be used as part of the social events that influenced policy. In the section on data I will give an indication of the limitations of using 'official' music industry data.

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\(^5\) In 1984 Melbourne singer-song writer Keith Glass noted that 'This Country of Mine, a song penned by Slim Dusty 'about eight years ago' was rejected by EMI, 'because it was too controversial' (Beeby 1984: 10). The song was about foreign investment in Australia. The skill in maintaining a pop/political career should not be underestimated. A shrill, didactic approach to politics, as attempted by Red Gum, with their 1983 number one hit, 'I was only 19', could be seen as an example of a pop-politics that failed to carry an audience with it into a long term relationship with the band to produce commercial rewards.
Commercial radio is the key means of popularising music on a broad social scale in Australia. It commercialises the music and serves as a feature of the commodifying process in the music policy formulation model, as I discussed in the earlier chapter. Commercial radio does this in three ways:

- by placing the music in an advertising context, where the music can be seen to fill the gaps between advertisements which are intended to generate profit for the radio station's owners;
- by providing access to and generating an audience and consumers who buy the music it 'advertises', by broadcasting;
- by commodifying the audience, which becomes objectified as consumers of music and advertising product (Jonker, Counihan, Potts 1992).

The following figures for radio airplay show that the three singles discussed above illustrate the changing appeal of national imagery in popular music in Australia. 'Down Under' reached number one on the radio charts, to be regularly played by radio stations around the country. 'US Forces' was not highly placed, but was in the charts for a longer period of time than 'Down Under'. This analysis of the data recognises the limitations of an approach based on raw data. However, the figures indicate the general point - the popular appeal of the music, revealed by the music's longevity on the charts. My argument is that the overall life of the singles in the charts, due to radio airplay, draws attention to the album, and this is what counts as the primary measure of the commercial 'life' of a recording. The album is the record company's cash commodity for sale, while the length of time a collection of singles from one album is available, suggests higher sales of the album and general circulation of the music, because of the use of singles as 'promotional tools' for the album (Negus 1992:105). The point of this thesis is not to examine these issues in detail, but to indicate how a rhetoric of nationally constructed popular music was promulgated, by
the popularity of the songs and the circulation of the lyrics in society.

Radio charts

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<th></th>
<th>HP</th>
<th>TI</th>
<th>Label</th>
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<tbody>
<tr>
<td>'Down Under' Men At Work 23/11/’81 (S)</td>
<td>1</td>
<td>21</td>
<td>CBS</td>
</tr>
<tr>
<td>'US Forces' Midnight Oil 29/11/’82 (S)</td>
<td>20</td>
<td>22</td>
<td>CBS/Sprint</td>
</tr>
</tbody>
</table>

(HP = Highest Position in any week in the charts, TI = the total number of weeks the record appeared in the chart, Label is the Recording Label. Source: Kent, Australian Chart Book, 1993).

Another set of figures provides a different perspective on the public appeal and currency of Men at Work and Midnight Oil in particular. They throw more light on why an analysis of a set of figures for a single release may be less significant than a broad shift in consumption and taste, indicated over a considerable period of time. The albums on which the singles that made the initial rhetorical impression appeared indicate the enormous long term impact of the music in Australian society.6 'Down Under' appeared on the album Business as Usual which was released on 7 December 1981, two weeks after the single appeared. The album went to number one on the charts and stayed in the charts for 118 weeks. (Kent 1993: 200). Midnight Oil's song 'US Forces' appeared on the album 10, 9, 8, 7, 6, 5, 4, 3.

6 In a 'traditional' construction of record marketing, singles were devised as a means for marketing a long playing album. They became the marketing tool for record companies to provide to radio and later television stations, as the most appealing song off an LP recording, as well as a cheaper record than a full length recording. They were therefore more accessible to young people with limited disposable income. In more recent times singles have taken on lives of their own, especially with a variety of studio mixes, which can be released on Compact Disc, which has a greater capacity for storage of tracks at higher fidelity than vinyl or cassette. Singles still operate as the marketing tool in the pop market music business and have been an important tool in commodifying pop music in the teen market (see for example, Frith 1988: 11-23, Negus 1992: 105-106).
2, 1, and that album stayed in the charts for 171 weeks\(^7\) (Kent 1993: 198). As the Chart Information Network Company Limited explained:

> The singles chart is vital for promotional purposes. The higher up the chart a single gets, the more publicity it gets, which can lead to more sales and in turn to a higher chart position. And singles sales can also help boost album sales (1991 brochure).

In terms of the discussion about the influence of the songs and the bands on the national rhetoric, these figures are remarkable. The albums were charting - in both Men At Work and Midnight Oil's cases - with some single or track from the album receiving radio airplay over two to three years, if the figures are taken as totally accumulative and over consecutive weeks\(^8\). The impact of the songs and the music was palpable. A national sense of enthusiasm, particularly among young people, was expressed for these two bands, which followed up with other popular albums, with music of similar lyrical content, especially Midnight Oil, whose career continues in the mid-1990s. It was impossible to avoid the sense that Australian popular music had entered a new phase and that phase was articulated to strong new images of the nation, which had an emerging and confident place in the world. If anything, the social role of popular music had established itself in a new way in the entire political economy of the nation by confidently drawing on established images of the country, such as Vegemite, national geography and politics, placing it in a space where the music and images circulated locally and globally. That the bands found a broader appeal in the international market, where others before had not, was part of a new rhetoric of 'international trade' that was being constructed in the early to mid-1980s (Berland 1992: 47-

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7 While I have drawn attention to individual singles from the albums, it is necessary to recognise that the albums contained numerous charting singles, or tracks lifted from the albums, which assisted the on-going appeal of the albums.

8 Detailed disaggregation of the figures is not readily available. The total figures for Times In the charts, as presented by Kent (1993) do not provide a breakdown for weekly chart position, but the accumulated total. The point however, is the remarkably consistent public presence of these recordings.
In the next section I will indicate how the national symbolism used in the lyrics of Australian popular music at the time became articulated to economic considerations and to arguments for policy activity.

I will conclude this section by identifying the social value of Midnight Oil's public rhetoric and its relationship with the maturing Australian music industry. In the early days of the band (1979-1986), their independent stance against the 'Other' of the major record companies endeared them to fans of Australian music. In promoting a local presence in which a newly confident music was able to express national symbols Midnight Oil's argument was put for them by supportive journalists, who reinforced the band's commitment to social issues and national consciousness. Janet Hawley's interpretation of their position in a newspaper article in 1986 makes this point:

The Oils tell big record companies and entrepreneurs to go jump, write their own contracts and do it their way or not at all. Garrett, a shrewd lawyer, admits he and fellow Oils who met at University...get a perverse pleasure at outsmarting the "rip-off merchants and arseholes who dominate the industry" (1986: 1)

There is a confidence here about how a band could operate in the prevailing music industry environment of the day. The journalist's rhetoric confidently assumes that the readership of a major daily newspaper would appreciate the characterisation of 'big record companies' as 'rip off merchants and arseholes'. It was a view that could be seen to have been articulated to the need for a new approach to music industry activity in Australia and thus the need for focussed policy activity. Such comments and sentiments assisted policy initiatives, as I will show later, while simultaneously linking such attitudes with assertive, self-conscious song lyrics about a style of politics in Australia. Indeed, it was the conscious, assertive nationalism of the music of Men At Work and Midnight Oil that captured the imagination and youthful enthusiasm of
rock music fans. It was not in the same category as 'the bland out' style of pop paraded by Sherbet, Little River Band Wa Wa Nee and Real Life, which positioned these bands as progressive agents of identity (Carney 1987: 1, 4)^9

**Industry rhetoric**
The political economy approach I am using here examines the changes in attitudes in society reflected in song lyrics and seeks to identify the economic shifts that flowed from the popularity of the music. One major change was the development of the 'industry' rhetoric identified by Walker in the inner city sound context. In this section I will show how the idea of a music industry was consolidated by the four events under consideration. Furthermore, the trade rhetoric that Berland identified occurring in Canada, also surfaced in Australia, as the newfound national confidence that Men At Work and Midnight Oil expressed, established a public presence which was reflected in record sales and radio airplay. In order to trade globally, particular industry structures were required. This thesis is not examining the specific characteristics of the industry structure and its development. Yet both Men At Work and Midnight Oil were able to establish themselves within major record companies as key Australian artists, while working for a view of Australia that was based on fresh and maturing images and symbols. Details of how both bands were signed to the majors is not the subject of this study, but is indicative of the reluctance of CBS/Sony and other majors to commit themselves to Australian artists without considerable pressure^10. Changes to the music industry structure emerged as a result of the appeal generated by the lyrics and the public acceptance of the music. Nowhere

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^9 For Sherbet, no lyrical observation was too trivial, no melodic contrivance too obvious to use. For LRB, laid-back Americanisation was the modus operandi, despite the use of Australian colloquialisms for their album titles' (Carney 1987: 4).

^10 Men At Work used a back hoe to dig a large hole in the car park at CBS Records office in Melbourne, to confirm their determination to a reluctant label manager at the company. Midnight Oil organised their own label, Powderworks, with a distribution deal with CBS, before fully signing with Sony. The difficulty of being signed by a major has changed in the 1990s, with independent labels having remarkable commercial viability of their own.
was the rhetoric of industry change more directly expressed then in the career of Kylie Minogue.

Minogue's presence on the Australian and international charts presents a different layer of popular music activity in the social domain than in the nationally defined examples of Men At Work and Midnight Oil. Kylie Minogue's efforts draw attention to three key features of the shift in Australian music industry activity: non-local or global pop music; the pop star machinery; independent record company growth. Overarching these shifts were changes in the industry that by 1987, when Kylie's first single 'Locomotion' was launched, had an impact on her appeal. Kylie's appeal was to the 'new pop woman' on the international music scene, whose public presence was defined by independence, constructed around the suggestion that 'you can be anything you want to be' (Rex 1992: 150).

The universalism of Kylie's claim to be anything that she wanted, can be linked to the incremental progression of Australian popular music. It shifted from a reliance on national symbols with local appeal to establish stars like Men At Work and Midnight Oil, to de-national symbols, such as universal ideals like love and emotion, which were not constrained by local references. The rock versus pop sensibility of the 1970s and 1980s partly explains this shift. Where rock was considered to rely on a set of established practices based on musicianship and a relationship to audience, pop meant the ideal of a disposable image of little lasting value (Street 1986). This binary reading cannot be neatly applied to popular music in the 1990s, although it helps explain Kylie, whose music was simplified dance music, with little apparent lasting value, but wide international appeal. Like commodity pop music anywhere, Kylie's appeal was in the 'novel and familiar', music that could be consumed almost

11 I will use this familiar title for two reasons: to distinguish Kylie from Dannii Minogue, her sister and because it reflects the common, popular understanding of a universal pop star, which Kylie Minogue has become.
anywhere around the globe to provide a postmodern pleasure: hers was a tradeable image that skated across the surface of social issues to locate itself in banality (Horne and Frith 1987: 75). As a commodity it worked well.

Kylie was able to piggy back on her television career in the soapie Neighbours to become an international star, launching out from Australia to the UK and beyond. This was the pop star machinery. Her songs were devoid of nationalism, yet she was identified as an Australian. Her songs relied on state of the art pop sensibilities, largely manufactured by British studio producers Stock Aitken and Waterman, who were capable of producing a song package to a commercial formula. The combination of this pop formula of bouncy sound, innocuous, highly memorable lyrics and an established television presence and confidence in front of camera, produced a remarkable phenomenon in Kylie as a star\textsuperscript{12}. The Kylie package was extraordinarily successful and continued into the 1990s. In her first year as an international pop star, she is reported to have generated revenues of $50 million, creating $5 million in profits (Dobbie 1989: 38). By the end of 1993 Kylie had sold 12.5 million albums worldwide and 11 million singles (Source: Terry Blamey Management correspondence).

For the industry these figures represented extremely large financial returns. The consequences for her record company Mushroom Records, were that Kylie took them to the next level of financial power, translating Mushroom's dimensions to that of the majors, with substantial resources:

... but the company itself didn't really start to make decent money and start to stand on its own two feet until the Kylie Minogue, Jason Donovan and the whole pop phenomenon that we were at the forefront of and we were very involved in. When we set the whole thing up with PWL

\textsuperscript{12} The appearance of Music Television as a 24 hour cable service in 1981 generated a host of new opportunities for television-style performers. Kylie was able to maximise her popular appeal through her visual image, even though Australia did not have 24 hour music television. Television gave Kylie (and other performers) another avenue through which to commodify themselves (Goodwin 1993).
and Stock Aitken and Waterman (Gudinski Interview, 24 April 1992).³

The rhetoric of a mature industry could be conveyed on the basis of Kylie's remarkably popular appeal in Australia, but more so because of her remarkable appeal in a number of countries.¹⁴ In fact, 98 per cent of her income in the first two years of her presence as a pop star came from countries other than Australia (Dobbie 1989: 43). Mushroom executives publicly used her success to explain the value of the indigenous music business to the country. That they used the business press - Business Review Weekly - as a prestigious means of identifying their financial confidence, is relevant. (The significance of the business press was confirmed to me by Mushroom managing director Michael Gudinski during an interview, after the 26 January 1993, page one headline of the Australian Financial Review, in a story titled: 'The radio buzz says Gudinski and Murdoch' (Knight: 1, 4).¹⁵ Kylie was translated into

³ Alan Hely, the former head of Festival Records, Mushroom's Distribution company made Kylie's (and Jason Donovan's) popular appeal clear: 'You'd have to say Kylie and Jason Donovan are his (Gudinski's) biggest successes. I don't think it was the sort of success that was particularly Michael's taste. I mean he'd have much preferred a Skyhooks or a Paul Kelly or a Jim Barnes or someone like that). But certainly Kylie or Jason were the result of perhaps his commercial sense taking over from his creative sense, and I don't think in the early days he would have even dreamt of recording a Kylie or a Jason.'(Interview 16 July 1992)

¹⁴ Kylie International charting to May 1993.

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<th>Top 10 Singles</th>
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<tr>
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<td>4</td>
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<td>Switzerland</td>
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(Source: Terry Blamey Management)

¹⁵ 'From a prestige point of view it's been fantastic for the Mushroom Group of Companies, because for the first time ever it's put us in a world where I've never really worked that much and that is the financial world. It's the first time I've ever made the Financial Review front page. Obviously the association with Rupert Murdoch has taken us from being a pretty wild, independent, reckless, go-getting, aggressive music company, into the front line of all the big finance and business people in Australia. I think that's a good thing for our company and whether the Triple M deal happens or not, I think you'll see that the Mushroom Group of Companies are in a much stronger position to be part of anything involving entertainment that's going on in the financial world in Australia and New Zealand' (Interview 8 April 1993).
financial clout, or what Gudinski called 'decent money', which meant that Mushroom was no longer a struggling Australian independent - it could now claim to be a major player in the global industry. It had influence, which could be translated into the policy arena.

The *BRW* story confirmed this by announcing the strength of Mushroom Records following Kylie's first two years on the global scene. On one level Mushroom's general manager at the time, Gary Ashley was explaining the enormous economic benefits for the company of international stardom:

> One thing we learned from her success is that there is enough money for all if there is no greed (Dobbie 1989: 41).

He also explained that for the first time Mushroom was financially independent of its distribution partner, News Corporation's Festival Records.

> When the money does come from Kylie, and we haven't had a cent yet, it will leave us with no overdraft at the bank and make Festival more comfortable with our cash flow. That will allow us to record and make videos and do everything without calling on Festival all the time (Dobbie 1989: 44).

On the other hand, such detailed financial discussion of revenues arising from global stardom led to discussion of Intellectual Property Rights, in the same *BRW* story. As I will indicate in a later chapter, Intellectual Property Rights (IP) are the motor driving much of the music business. Direct rights arising from record sales and broadcasts, together with ancillary rights flowing from merchandise are key elements of the overall package of commodities generated within the popular music business. Kylie's massive appeal raised these issues for Mushroom. By the fourth paragraph of *BRW*'s 'Cashing in on Kylie' story, property rights were mentioned.

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16 The admissions in this quote reveal how delicate Mushroom's financial situation was for the 15 years prior to Kylie's arrival. Regular cash injections from Festival maintained Mushroom, providing Festival with content to distribute (Alan Healy Interview).
The industry wants to define the "property rights" entertainers have over their personal image and performance (Dobbie 1989: 38).

IP relies on the Copyright Act and the Trade Practices Act and various legal and statutory institutions to enforce their statutes, and as such are major sites for policy activity by the Commonwealth Government, which ultimately regulates the legal framework for the implementation of the Acts. The BRW story emphasised that the existing laws were 'vague' and 'not well defined' (Dobbie 1989: 39). By taking this approach, BRW was signalling that IP was shifting on to the public policy agenda. The link between Kylie's global success and national policy can be identified clearly here. This linkage supports the articulation theory approach as outlined in my music policy formulation, where musical/use value is identified by its relationship with industry activity where both are mediated by policy. Kylie's international appeal raises questions about the threshold at which national policy issues, such as IP or Copyright, are introduced into the relationship. Here, the commercial benefits flowing from Kylie's 'global' achievements were directly articulated to industrial consolidation which generated discussion about policy issues such as IP. It is unlikely that such issues would have been raised had Kylie not generated the large income for Mushroom, which required officially sanctioned regulations, such as the Copyright Act.

The two issues raised in the BRW article publicly confirmed the significance of popular music, firstly for indigenous record companies like Mushroom, secondly, signalling the need for an examination of IP policy. Here was the emergence of another public policy issue that brought the existing music and copyright industries within the orbit of the media and public scrutiny and more significantly, it was presented with a social policy context: in the evolutionary order of things, BRW suggested, performers could be expected lay claim to their own images, identities and financial interests. This complex of policy relations
was something an active social democratic Government could not indefinitely avoid.

Alternatively, to many readers, the article would have made sense on the level of the economic benefits of pop, confirming long held views that the music business was a lucrative one. For more skilled readers, such as lawyers and record company executives, the major thrust of the article was IP policy. As I will show in the chapter on the Prices Surveillance Authority inquiry into the Australian music business, when IP, in particular The Copyright Act was scrutinised, music policy was moving into a new domain.

**Confirmation**

The articulation of policy into the popular music domain was strengthened by the increasingly strong public rhetoric that began circulating in Australia with the advent of independent voices in the late 1970s. Punk created a sense that there was a space for opportunities, which in Australia, ultimately found a voice in the national symbols expressed in the songs and later in the quest for economic maturity and related IP legislation. This did not happen without a conscious effort on the part of indigenous record companies. Michael Gudinski is a key to understanding this transition. His involvement at the centre of the Australian music business provides him with an imposing wealth of experience. In the 1960s, Gudinski told me, the record industry in Australia was 'frustrating': 'in the position Australian music played in the music industry in Australia. The fact that Australian music was thought of as second rate to the international import (sic) in the 1960s when I grew up and there were some great bands when I grew up. Then I found creatively the business wasn't, the artists weren't getting the creativity that they should have got. It was supposed to be a creative business, but it wasn't like that' (Interview, 8 April 1993). He consciously built his own company through 'a corporate web' to make his business work (Interview, 24 April 1992). (See Appendix for a mud map of Mushroom's development. A private and
anonymously circulated critique of Gudinski and Mushroom, distributed in 1993, gives an indication of the power Mushroom established and the opposition it faced from opponents).

Gudinski was and is powerful in the Australian music industry. During the time I was a music journalist, he told me that the Commonwealth Government should support the Australian music business in the same way that it supported and funded the Australian Film Industry. He was consciously attempting to influence government thinking, reiterating the point whenever possible: 'Unlike the film industry, the music industry has never had any real government support' (Weiniger 'Recognition at last for the pop industry', The Age, 18 August 1988: 1). By 1990 he was able to see results from his and other people's efforts in building the Australian popular music industry. Speaking as a concert promoter, he noted:

The charts through to the end of the year will be dominated by Australian albums either out now or due out soon: Midnight Oil, Jimmy Barnes, The Angels, John Farnham, INXS. We've worked towards this sort of situation for 20 years and it feels good (Baker 1990: 74, italics added).

This is the fourth 'event' which can be articulated into the policy domain. Yet it does not necessarily add weight to the previous three, rather it is contradictory. The rhetoric in this comment suggests a mature indigenous industry, indicating that it is self-sufficient and not in need of film industry-like subsidy.

The combination of rhetorics applied in different situations by Gudinski is instructive. On one level he acknowledged the ability of the industry to grow and establish audiences for live music, with bands that incorporated a sense of place — namely Australia — and produced a self-sufficient economy of their own. Moreover,

17 Michael Gudinski and the Mushroom Company are a separate study in themselves.
18 During an interview with me in 1992 he put his opinion as follows: (The music business)It's never been a charmed industry like the film industry was for many years (24 April 1992, italics added).
he enthusiastically entered into the international media market by selling 50 per cent of Mushroom to Rupert Murdoch's News Limited in July, 1993, for $22 million, and boasting that: 'I'd like to be to the music business what Rupert Murdoch means to the business world' (Bail 1993: 20). On the other hand, Gudinski made public utterances about the need for Government financial assistance, following the subsidy/investment model applied to the film industry. This contradiction in rhetorical focus indicates the lack of clarity about where the industry was positioned in the policy domain. It raises two key questions: Was the industry looking for financial assistance because a precedent existed in the film sector? Or was the industry capable of existing without such assistance, given the 20 year gestation and popular appeal of Australian bands by 1990? The evidence of bands like Men At Work, Midnight Oil and Kylie Minogue suggest that the industry was able to flourish without government subsidy.

In this section I have examined the background rhetoric surrounding popular music policy. I have used four 'events' to construct a picture of how otherwise neglected popular music activities can be seen to contribute to the social domain, and where policy may engage. Dialectical realism assists in sensitising the music policy formulation model away from purely official sources to spaces and places where policy activity is signalled, albeit tangentially, as in song lyrics. Positive knowledge will not always appear as officially sanctioned and written texts, but in the spaces between - in the intuitive places where opportunities for more formal government action appear to exist. I have shown how national consciousness appeared to generate a rising demand for local music, which produced economic benefits, while raising both policy concerns and contradictory signals about the ability of the industry to function with and without government policy and subsidy. In the next section I will detail how the rhetorics examined in this section were give the necessary detail in the form of data and documented argumentation. I shall also indicate
how the existing music subsidy model was overlooked in the rush to produce popular music policies.
Section 4: Beyond rhetoric

Chapter 10

Finding the pieces for a case

In the previous section I indicated how popular music policies were initiated by linking youth policy concerns with Australian Labor Party interests and individuals as part of Australian popular music's appeal to national consciousness. Rhetorical force was built up through the nexus of party and individual action and the appeal of the music. Translating this rhetoric into concerted policy action involved convincing politicians, government bureaucrats and agencies to provide evidence of the value and relevance of popular music as a site for policy activity. In this section I will examine selected examples of the official documentation produced in key official reports as a result of the emerging interest in popular music by the ALP in government and some of the limitations of the approaches taken as social policy and industry concerns converged. The reports I consider are: Young Australiana and Music (1985), Australian Music on Radio (1986), Austrade Export Development Strategy: Popular Music (1986), Music Board Medium Range Plan 1985-1989 (1986), Australian Music Industry: an economic evaluation (1987), Patronage, Power and the Muse: Inquiry into Commonwealth Assistance to the Arts (1986), Commonwealth Government Cabinet Submission (1988).

I will continue to work from the primary research question to examine why governments and their agencies introduced popular music policies in the years under review, and indicate some of the details of the programs introduced. However, a relevant issue that helps guide this chapter arises from the question raised by Turner: 'What happens to rock music, rock musicians, rock culture, as it is appropriated, incorporated, institutionalised - as it would be under a cultural policy?' (1989: 2). In the following
chapters I will provide an alternative to the 'macro' popular music policy initiatives developed in the Federal Government context, by contrasting the 'micro' or community music approaches.

At the Victorian and Federal Government level, events such as Rocking the Royals, Men At Work and Kylie Minogue's international appeal attracted attention as the public presence of popular music was articulated with youth policies. Detailed analytical information had to be generated to put the case to government and convey the importance of popular music as a site for policy activity to the public. This involved a move from government funding and public subsidy of elite, 'serious', or high art music in Australia to popular music interests. A rejection of the Australian Broadcasting Corporation's classical music orchestras, Musica Viva's chamber music programs, and the Australian and state opera companies was involved in this policy shift (Rowse 1985: 117-118).

Information had to be gathered about the existing music business which had shown itself to be economically attractive when it entered the global market context, with Men At Work, Midnight Oil, 'Kylie' and others. Ways had to be found whereby it could be linked to government programs, in general. A case for defining the industry and its dimensions had to be made before a set of guidelines for policy action could be produced. Initially the data came from existing programs and institutions, namely Austrade, the ABT and the Australia Council. These institutions were capable of defining the new environment in which youth and popular music policy was taking shape. The most important institution in linking youth with popular music policy was the then Australian Broadcasting Tribunal (ABT) and its research branch, which was the only existing organisation with the expertise to recognise issues relating to popular music activity.
Existing methods

As the music industry came into relief in policy circles, one clear opportunity in detailing linkages between youth and popular music stood out. Indications about the importance of popular music to youth and associated official rhetoric came from the (ABT), which was the official regulator of Australian broadcast media, with a focus on Australian content. The ABT operated a series of closely administered standards, one of which was control of Australian music content on radio (Cunningham 1992: 51-56). Therefore, when the ALP won power in 1982-1983 the broadcasting of Australian music on commercial radio was in the public policy domain. On 23 May 1983, soon after Federal Labor came to power the ABT announced in an advertisement in major daily newspapers that 'it would be holding a Public Inquiry into certain aspects of the broadcasting of Australian music on radio' (The Age, September 7, 1983: 2). The Public Inquiry suggested that something new was about to happen in relation to Australian popular music and its circulation within the Australian media and society. It was not necessarily a significant landmark in popular music policy activity, as it reflected the administrative function of the ABT. Yet it indicated that a new era of public activity had been issued in by the Labor Government, even though public inquiries into content standards had been conducted by the ABT during the life of the conservative Fraser Government (1975-1983). The resulting 1986 ABT report, Australian Music on Radio, made it appear that Australian music would receive priority under the ABT's regulatory structure, during the ALP's term in Government.

The local music content quota was established according to a Broadcasting Standard first proposed in 1942 and reiterated during the Whitlam Government's time in power in 1973, then fixed at 20 per cent in July 1981, when the Broadcasting Program Standards (BPS 3) Encouragement of Australian Artists stated: 'A (radio) licensee shall ensure that no less than 20 percent of the time occupied in the broadcasting of music each day by a licensee shall consist
of performances by Australians (ABT 1986: 11). Equally significant was the rhetorical tone of the ABT's report on the value of popular music.

In referring to the cultural value of popular music, we mean its value as a way of reflecting the concerns, interests and aspirations of Australian society, as well as celebrating the creativity of that society (ABT 1986: 17).

Tom O'Regan has noted that 'Notions of protecting the nation's culture are associated with different programs of action' (1993: 10). The 1985 ABT report, Young Australians and Music can be viewed as another path along which the rhetorical building blocks for popular music policy were set, drawing on the twin themes of national music making-media dissemination and audience interest in popular music.

The report made its own claim for rhetorical space, with the caveat-of sorts inside the unnumbered title page noting that: 'It (the report) is being published to increase public knowledge about the subject and to stimulate discussion. It does not necessarily represent the views of the Tribunal'. While removing itself from a direct relationship to the more formal ABT regulatory functions, such as the Broadcasting Program Standards, Young Australians and Music sought to provide a basis for informed debate in the period leading up to the release of the following year's Australian Music on Radio.

Young Australians and Music was conducted by the specialised, Melbourne-based research branch of the ABT, as part of an international comparative study of young people and music. While it is not the intention of this thesis to examine this report in detail, it did establish the centrality of music for young people, especially providing rhetorical ammunition for the ABT and ALP policy activists, if they had bothered to make closer use of it. In its summary the report noted, under the title 'Importance of Music and Importance of Knowledge of the Top 40':

Compared with other part-time activities, music was very important or extremely important to almost half the sample
(48%), while it was a "bit important" or not important to
the rest. Knowing about the Top 40 was very important or
fairly important to 53 % (ABT 1985: 6).

The report went on to ask the 666, 12-20 year olds in
Melbourne in May 1984 for specific details and found that:
rock music was favoured by 45 per cent, pop by 15 per cent,
disco by 9 per cent (ABT 1985: 5, 6). The report noted that
'2% or fewer respondents mentioned classical music' (ABT
1985: 6).

This report confirmed, as the above figures make clear, that
young people appreciated popular music, the variety of media
outlets available and as consumers, they were capable of
making decisions about music consumption¹. More importantly,
the study provided 'a rich source of data concerning
Australian young people and aspects of their musical
experience on which no systematic information existed prior
to this survey' (ABT 1985: 15). A resource such as the
research branch of a statutory authority has significant
value in providing responsive, informed data and analysis in
the policy formation process - which is where the ABT's
Research Branch made a significant contribution.
Unfortunately, by the end of the 1980s the Melbourne-based
research branch of the ABT had closed and with it a facility
for assessing the dimensions of popular music consumption in
the media and by youth. The demise of such a facility had
more serious repercussions than the absence of detailed data
collection on popular music consumption. It meant that
'official', nationally constructed rhetoric in favour of
local content quotas was diminished in value. Other
developments were taking place that could be seen to align
policy activity more closely with youth.

¹ Amongst a variety of suggestions for further activity, the report noted: 'The study also suggests areas
of further exploration in various areas: for example, an investigation of reasons why so many young
people not only do not listen to a large number of (radio) stations, but are not even aware of their
existence, and the role of peer group judgements in these choices...; the influences of selecting musical
instruments to play (eg. the choice between learning piano and guitar); and the development of musical
tastes. These questions have relevance to broadcasters and educationalists' (ABT 1985: 15).
For example, the Federal Government established a policy process which included consultation with new stakeholders in the networks of policy formation. The objective in introducing 'a consultative process' was to establish a range of views from 'State and local governments, trade unions, community organisations and employer bodies' (undated Priority One Press Release). This would help establish the requirements of young people for education and training. In a joint statement from Prime Minister Hawke and the Minister for Employment and Industrial Relations, Ralph Willis, a Priority One Community Volunteer Program for young people was launched, where:

Views would also be sought on the appropriate composition of a broadly-based national advisory group to oversee the development and implementation of the new initiative (undated Priority One Press Release).

A further part of the new process involved what Mr Willis said would be 'bilateral discussions as well as written submissions from interested organisations and individuals' (undated Priority One Press Release).

Such an inclusive approach could have incorporated youth into the process of consultation. This did not happen at the Federal Government level of policy activity. Instead, the possibility of strongly articulating youth with popular music became circumscribed by the vested interests of the existing music industry and individual party activists. Consultation objectives were established, yet Pete Steedman consulted through government departments in Canberra and the existing contacts he had with the music industry, rather than through youth networks, as I will indicate later in this chapter. Certainly the links Steedman had through his employment as an adviser for Minister Dawkins gave him access to government and the bureaucracy. What these links did however, was to call on existing music industry personnel, who were not interested in youth policy. They were interested in opportunities for an expanding export oriented service industry which was a priority for the Government from February 1986, when the Australian Trade
Commission formed Austrade, to focus on export markets. This was hardly surprising. Bringing the existing music industry into a relationship with government would achieve prestige and influence for the policy makers, the government, party activists and members of the music industry itself.

The big kids and they were mainly boys wanted to work with government, not for profit, but for long term development. Sure they wanted to make money but they wanted to make better long term money, by governments understanding their position and by them understanding government (Stephen Interview).

Initially, a key music industry representative panel was established within Austrade, announced on 26 November 1986, largely co-ordinated by Steedman. In many respects, 'the big boys' were talking. Perhaps this should have been expected, given the dimensions of the music business. As Table 1 shows, official Australian Record Industry Association (ARIA) figures indicated that the total wholesale value of recorded music sales in 1981 was over $138 million. In 1994, this figure had risen to just over $447 million. By any account these were large numbers, capable of impressing bureaucrats and politicians alike.

Table 1.

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<th>Australian sales at wholesale value</th>
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<td>(A$ 000,000)</td>
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(Source: ARIA Data)

Internationally, Australia's share of the international music industry cake had risen though the efforts of the high profile bands and performers, as outlined in chapter 9, Men At Work, Midnight Oil and Kylie Minogue. Yet the real issue was that when popular music-related consultation was implemented by the Commonwealth Government, the youth-music
articulation was lost and the economics-exports-industry one emerged. Economic benefits and new industry opportunities had to be exploited, as the Trade Minister John Dawkins said when announcing the panel:

In the face of at best stagnant markets for many of our traditional commodities exports, Australia has had to turn its export attention to the growth areas of the world economy - manufacturers and services. The Australian music industry fits well into such a pattern.

There is a depth of talent in the Australian music industry which, given expert advice and marketing assistance, I am confident can earn export dollars for Australia as well as expanding employment prospects within the industry here in Australia (Media Release, 26 November 1986).

Just over a year later the panel's role was described by Phil Tripp, an American journalist and publicist who had rapidly worked his way to a position of influence in Australia and was one of the panel. He suggested that Austrade in particular 'wouldn't be hanging around reprobate types like us, unless they could smell big money (Dodson, 1988: 1). Globalisation of the Australian economy led to the expectation, 'that Australian artists had the potential to make a bigger impression on world markets than they were making', noted Minister Dawkins in 1988 (Media release, 7 October 1988).

The export focus meant that the word 'youth' disappeared from the rhetoric of official documents and the industry and the Canberra bureaucracy concentrated on concepts drawn from economics and trade. Perhaps this should have been expected, as the politics of the environment in Canberra largely determined that youth employment would not dominate the larger issues of industry policy. As one writer suggested: 'There is bound to be a conflict between the rights of young people to enjoy their leisure time versus the belief that young people should be out looking for a job or training' (Cassidy 1991: 39). Priority One's emphasis evaporated as the consultative process was invoked in a confused set of
initiatives which failed to focus on the youth policy objective that had been identified in Rocking the Royals and other major events.

Limitations emerged even in the selection of Austrade's music industry consultative panel which was not fully representative of the industry. Its members were: chairperson Lee Simon (radio 3EON-FM) David Hooper (Musicians Union) Michael Ashley/Michael Gudinski (Mushroom Records), Jeremy Fabinyi (Mental Management), Chris Gilbey (MCA/Gilbey publishing), Phil Tripp (Immedia publicity), John Woodruff (Dirty Pool management) and Pete Steedman. There was no representation from the Australian Record Industry Association (ARIA), any of the five major record companies at the time (EMI, WEA, CBS, PolyGram, RCA) or the copyright agencies, the Australasian Performing Right Association (APRA), Australasian Mechanical Copyright Owners Society (AMCOS) or the Phonographic Performance Company of Australia (PPCA). At one level the selection of the panel reflected a nationalist sentiment antagonistic to the existing industry of the majors and copyright agencies, whose interests were 'foreign'. At another level, their interests were being examined more closely by the House of Representatives Standing Committee on Expenditure, which released its report Patronage, Power and the Muse: Inquiry into Commonwealth Assistance to the Arts, (known as the McLeay Report) in September 1986. I will examine that report in a later section.

It was clear that a flood of activity involving the investigation of popular music was underway. From the Austrade panel's perspective, it needed to address the essential objectives of export activity and industry development, yet it was clearly unfocussed. In April 1987, panel chairperson Lee Simon issued a Media Release which attempted to rectify the ambiguities. On one hand it announced Austrade support for the New Music Seminar in New York City in July 1987, clarified the Export Market Development Grants Scheme and announced an export marketing
guide, industry workshops, trade fairs and a television special for overseas consumption. The same release also noted 'some confusion in the rock industry relating to the Austrade committee and the release of the McLeay Report', before pointing out that 'the board was chosen from a wide range of people in the industry, but was open to anyone who had a view or a proposal that would assist' (Media Release 1 April 1987: 2-3). Appeals for cooperation and 'a total policy on rock' also appeared in this extraordinary statement, which did little to clarify the activities of the Austrade initiatives (Media Release 1 April 1987: 3). More effectively it pointed out the confusion about the precise responsibilities of the panel (or board as Simon termed it), the conflict with the established major players in the industry as well as the uncertain contradictory policy environment in which multiple reviews were simultaneously under way.

In this environment, the question posed by Turner about the appropriation of rock music in general into cultural policy could not be answered precisely, due to the absence of concerted coordination in the Commonwealth process. The question that really required resolution, which had been skipped over by the Austrade Panel's formation, was the definition of and engagement with the existing popular music industry. Appropriation was hardly recognisable. Answers to industry questions could be provided from the youth policy side as well as the economic and industrial organisation perspective. As the music policy formulation model suggests, the challenge is to balance the industry and youth-music culture interests simultaneously. However, export-economy was given priority over youth policy initiatives producing an unbalanced relationship. By relying on the economic components of the export industry focus, the existing industry with its impressive dollar values produced imperfect, information on which to develop a consultative youth program. This issue became increasingly acute as the Commonwealth Government inquiries progressed, due to the negligible regard shown for imperfect knowledge about the
existing industry that was available overseas. For example, one detailed UK report had shown that:

The probability is that the music business will stumble into the future just as it is stumbling through the present, with the major actors only making positive decisions when forced to by crisis situations (Quilen 1985: 33).

The details of Austrade's Export Development Strategy were released in December 1986. It included the recommendation for the formation of the export panel, which had already met on 26 November 1986 (Cabinet Submission 1988: 15). The Foreword to the argued that the relationship between Government and the popular music industry was changing, with the acknowledgment that the Department of Trade had contributed 'for a number of years to the cost of participation in the world's major music marketing event held annually in Cannes (France)'. 'However', continued the document, 'Austrade believes that the industry has failed to achieve its true export potential'. Apparently, this did not reflect on the government department's performance, but on the industry, the document seemed to be saying, in a blinkered criticism of the performance of the industry. More startling was the Foreword's clue to the existing industry attitude to Austrade and exports in general in the second paragraph of the document:

Representations made to the Minister for Trade suggested that the domination of the industry both in Australia and overseas, by the international "majors" who have a low level of commitment to Australian artists limits the opportunity to break into the lucrative overseas markets. In addition, very complex contractual arrangements with overseas companies often result in reduced flow of foreign exchange earnings ie. royalties, into Australia (Foreword 1986).

The export strategy was generated against this background of opposition to and from the existing industry. The solution to this collision between Australian popular music ambitions in the export domain and the majors was an export development strategy consisting of an education campaign for Australian performing artists and their managers. Despite
the limitations in its research focus, the report provided an overview of the industry, together with a modest set of activities. Remarkably, its 'Targets' resulting from the strategy, projected over three years was just $1 million a year, presented as 'a direct positive effect on industry export income by at least 10 per cent' (1986: 3). More importantly, the report acknowledged that 'it is not possible to accurately estimate the impact of the recommendations' partly due to delays of up to three years in repatriation of cash advances, royalty receipts (1986: 3). A dual stance embracing cultural nationalism in the quest for Australian popular music production coupled with economic opportunism and the prospect of increased inward revenues from music exports was being built that marginalised concerns with youth policy.

Ultimately, the focus of the report was in 'helping the industry to help itself' (1986: 30). Youth was not a concern and was effectively dismissed by the business concerns of the report:

Because of its youth image projected in high public profile, the rock music industry has often been incorrectly seen as entirely youth oriented. Less obvious are the decisive roles played by manufacturing and marketing executives, and others listed in Section 3.3.2; particularly the highly motivated entrepreneurs who have proven their skills with substantial success (1986: 2/3).

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2 The recommended strategy consisted of the following six proposals, which were all achieved:
1. Establishment of a panel of representatives from the rock music industry to develop and coordinate export promotional and related activities on behalf of the industry.
2. A series of television programs featuring Australian rock music be produced for placement on appropriate overseas TV networks.
3. Austrade continue its support for an Australian presence at the leading international music marketplace M.I.D.E.M. (Cannes), and also assist Australian rock music industry participation at the 1987 New Music Seminar, New York, on a cost sharing basis with participating Australian companies.
4. A series of workshops for performers, songwriters and managers be undertaken to improve professionalism in overseas marketing.
5. A guide to overseas marketing for the Australian rock music industry be published.

3 An indication of the dynamism of the figures appears in correspondence from Austrade's manager, Services Exports, Dr John Robertson, who suggested that a 'conservative estimate of record, publishing and performance royalties' put the figure at $8 million in 1985/86, expected to be $14 million in 1990-1991' (17 March 1988).
The report went on to acknowledge that 'no direct employment official statistics are available', yet it estimated the dimensions of the rock music industry (1986: 14).

None of these reservations about detailed industry analysis appeared in the marketing material generated by the Austrade. Perhaps this was due to the close involvement of the panel with the publicity. In articles generated by panel member Phil Tripp, for the magazine _Overseas Trading_, Australian popular music received glowing endorsement: 'Australian artists a new force in international rock music' and 'Pop stars no longer cultural curiosity' proclaimed the publication (1988: 2-3). Australian participation in the 1987 Midem trade fair generated 'a great deal of export income' (Tripp: 1988: 2) According to one article, 'Nine companies reported that as a result of their activities at Midem '87 they expected to earn royalties of $63 million' (Tripp 1988: 2). Yet the difficult task of endorsing 'new' Government popular music export activity had been achieved, despite severely flawed information, characterised by estimated export figures ranging from $1 million to $63 million!. Austrade and Trade Minister Dawkins proceeded with the panel's recommendations.

More detailed data was required and so the Australia Council (the Commonwealth Government arts funding organisation) became the focus for data collection and analysis. In relatively quick succession the council was directly involved in the publication of _The Australian Music Industry: An economic evaluation_, also known as the Guldberg Report, while in September 1986 the House of Representatives Standing Committee on Expenditure, released its report _Patronage, Power and the Muse: Inquiry into Commonwealth Assistance to the Arts_, (known as the McLeay Report). A significant part of the background to these reports was a deep commitment by Dr. Dick Letts the Director of the Australia Council's Music Board, to remaking the elitist concerns of the Australia Council's music activity. I will briefly examine the _Music Board Medium Range Plan 1985-1989_,
the report prepared by the Australia Council on music policy, before looking at the two reports that followed.

**Australia Council**

In releasing the Medium Range Plan (the Plan), Letts reiterated his belief that it was relevant 'for music development in Australia so far as it can be assisted by the Board' (Letts Correspondence 18 February 1986). Recognition that the Plan's strategy was one component of music activity in the country offered a new view to the otherwise myopic perspective provided by the arts subsidy sector which depended on the Australia Council. It was only a matter of time until the existing commercial popular music industry was acknowledged as a part of the nation's music culture, although later events generated enormous resistance to any moves to bring the existing commercial sector together with the publicly funded music/arts subsidy sector. Of more immediate concern to opponents of the changes proposed in the Plan was the honest appraisal by Letts and the Music Board of the shift that was required due to the ALP's objectives being brought to the foreground. This attempt to respond to the reformist objectives of the Commonwealth Government was explicitly incorporated into the document.

The Plan depends on:

1) the interpretation of the objectives set forth in the (Australia Council) Act;

2) a conceptualisation of Australian musical life;

3) a conceptualisation of the interconnection between (1) and (2);


The Plan detailed each of the Council's objectives but was generally hamstrung by the historical constraints of the subsidy approach, which combined sectional interests, such as experimental and classical orchestration with education issues^4. It recommended a variety of funding issues, some of

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^4The objectives of the Australia Council Act were summarised as: 'excellence, professional opportunities and status, access, participation, cultural identity, freedom of expression, public appreciation, understanding and support, international recognition' (Plan 4-6). 'Subsidy', was defined by the document
which challenged the high rates of support provided for opera. To achieve the board's objectives by 1989 an overall increase of 81.5 per cent or $17,469,000 million was required to be administered by the Music Board (Plan B-6).

Yet it was the Plan's breadth, its determination to represent the ambitions of the ALP Government of the day, which marked a major turning point in music policy and continued to have repercussions well into the 1990s. The Plan, minus explicit references to ALP policy, became the key reference point for bureaucrats working in the music subsidy field (Owens Interview 1993). In particular, when 'Australian musical life' was defined within the range of meanings of the Australia Council Act, alongside the ALP's policy objectives, the Plan suggested a radical reworking of the entire subsidy model to a form where access and inclusion were major objectives. It involved bringing into contact with the Australia Council, groups that were not part of the traditional 'arts subsidy' constituency. The social policy objectives of the ALP were reiterated:

The general direction of current emphasis of the Australian Council is consistent with those of the government. Broadly speaking, these are towards a shift of resources to disadvantaged segments of the population, particularly ethnics (sic) youth, trade unionists and working class people, women, and those isolated geographically from the artistic life of the cities. Thus, there is an emphasis upon access and participation, although not at the expense of excellence as defined above (Plan 1986: A-10).5

^ The category of 'excellence' is the most difficult concept in the arts subsidy lexicon. The Plan probably undid itself when it suggested that the Music Board's 'concepts, polices and actions in almost all circumstances...interact with a number of these objectives simultaneously' (Plan 1986: A0). Thus, excellence, it was suggested, had to 'simultaneously address', professional opportunities, access, and public acceptance and support (Plan 1986: A-10). Interestingly, when the ALP Government asked for responses to arts funding in its 1992 document 'Australian Government Support for the Arts: A Discussion paper', excellence was unproblematically presented as an achievable objective.

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In examining the Plan, it is not my intention to undertake a detailed textual reading, rather to indicate how it was a preparatory document for the popular music policy events later in the 1980s and early 1990s. In particular, the Plan sought to establish a useful model of musical activity. For example, Part 3 of the report considered Performance and included 11 subcategories of music - music theatre, opera, orchestral, choral/vocal, classical instrumental, classical contemporary, jazz, folk, multicultural/ethnic, rock/pop, bands. Part 3 also included Community Development and Music Education, which became important in establishing a point around which community or 'micro' popular musical activities could be funded, as well as a focal point for arguments put soon after by Steedman for appropriate popular music education. Some of these considerations will be examined later. Generally however, a space was being made for the public funding of rationally conceptualised musical genres, outside the existing genres which received subsidy.

In acknowledging rock and pop, the report was hamstrung by the traditions of 'excellence' which it imposed as a gatekeeper for subsidised practitioners. It was inappropriate in the popular music category, given that the rejection, even denial of excellence as applied to 'elite' arts had been the appeal of popular music, and was part of the spirit of rock music, of 'anybody could do it': 'For performing rock and roll, or punk rock, or call it any damn thing you please, there's only one thing you need: NERVE', wrote US journalist Lester Bangs, consciously omitting any reference to musical competency (1993: 104). Jimmy Barnes made the point more directly, when reflecting on his approach to rock music performance:

I think the reason why kids related to me was because I was the same as them. That's the one thing I stressed even back in the Cold Chisel days. I showed them it's possible for anybody to take it by the throat if you've got the inclination (Hutchison 1992: 86).

Nevertheless, the purpose of this section of the Plan was 'To foster originality and excellence in Australian popular...
music, and the development of professional skills in and legal protection for its practitioners, especially young practitioner' (Plan: C:2-74). The report acknowledged the unique opportunities for public access and participation that rock music provided, with public support reaching international proportions.

In the interest of equity, it is appropriate to examine the field and to determine whether there should be a role for public subsidy. The Music Board has concluded that for the most part its intervention would be redundant or counterproductive. However there does seem to be a possibility for action in some areas. (Plan C:2-74).

Theses areas were: development of cultural identity through music; appropriate education in music business; investigation of legal protection available to musicians; a system to promote Australian recordings (Plan C:2-74-75). More specific details were not proposed, due in part to the vast shadow of uncertainty cast by two considerations: (1) the fetishisation of 'originality and excellence' by practitioners and the development of an audience appreciation for these qualities; (2) the existing foreign-dominated music industry (Plan C:2-75).

Professional opportunities for Australian musicians may be limited by the present economics and practices of the recording industry, which depends above all on relatively inexpensive and trouble-free imported product (Plan C:2-75).

Identifying the dimensions of the existing activity became a priority, as the evidence for popular music activity in Australia confirmed what Austrade noted about the non-participation of the industry in Australian popular music. More detail had to be gained about the Australian industry in the context of the Board's definition of the way in which 'the nation's wealth' can remain within the nation (Plan A-13). As part of the plan the Music Board commissioned a study to 'present basic quantitative data on all significant segments of the industry, commercial and non-commercial, and will estimate the nature and extent of its financial
contribution to the Australian economy' (Plan A-13). The study would become part of the Medium Range Plan for the Music Board. As I will show in the following section, it established economic measurement as a feature of the popular music policy.

Hardly surprisingly, there were dramatic casualties. Letts did not remain as Chair of the Music Board for much longer after the release of the Plan.

Government sponsored data
Collecting data and providing appropriate analysis is part of the rational construction of accounting required to meet some of the criteria involved in an industry definition. As noted earlier in the comment from Hegel, the quantification of the production of commodities in society is one feature of political economy. However, as institutional economics maintains, a rational approach to policy will attempt to take account of the evolutionary developments, indeed measure them, yet not be overwhelmed by neo-classical definitions which can deny social provisioning responsibilities in a democratically planned society. The Plan attempted an approach that identified a two staged process of identifying the administrative issues in the Plan, then used a second tier of analysis and reportage in Hans Guldberg's, The Australian Music Industry: An Economic Evaluation (1987).

Guldberg's report examined 'total demand and supply of music goods and services', as well as the 'total turnover of actual full time persons employed' (1987: 6, 7). In attempting to document the dimensions of the 'industry' from a traditional statistical approach derived from specialist surveys generated by the Musicians Union of Australia, as well as statistics from the Commonwealth Population Census of 1981 and the 1984 Australian Bureau of Statistics (ABS) household expenditure survey of 1984, Guldberg's report floundered. Its concerns encompassed the existing industry and the subsidy industry in a grab-bag of information.
Devoid of an explicit analytical framework its purpose was - yet again - to serve as a rhetorical tool in the broad construction of musical activity in Australia. Music Board Director Dick Letts and Board Chairperson Barry Conygham made the objective of the report clear in their Foreword by noting that Guldberg had 'produced a document of great integrity and considerable utility in suggesting and assisting change'; it was intended to 'stimulate in the reader a consideration of the possibilities for development' (Guldberg 1987: VI, V). Yet it did this by producing a set of figures that overwhelmed any comprehensive structural considerations in the report. These figures and their placement in relation to manufacturing sector examples determined a limited economic reading of the 'industry':

The industry as a whole is worth over $1.5 billion per year, and some 60,000 individuals derive an income from it (40,000 full time equivalent workers). This represents about 0.7% of the total Australian economy. It is comparable for instance to the clothing and footwear manufacturing industry, which had a gross product of $1.6 billion in 1984/85 and employed 61,000 workers full time or part time. It is larger than the textile industry which had a gross product of $1.1 billion and 34,000 workers (Guldberg 1987: V)

Music culture has limited relevance to the textile, footwear and clothing industry, with the allusion serving only to enhance the industrial concerns against the delivery of music culture through the Australia Council. Importantly, this concentration on industry calculation was not translated into a model which could provide a satisfactory basis for a relationship between the subsidy sector and the existing music industry. This is not to say that Guldberg avoided important issues. For example, he identified the 'earnings gap' of the labour intensive activities of performers and musicians, which he argued was the result of the changes in the industrial economy, which was 'more capital intensive' and included 'high technology segments such as broadcasting, television and recording' (Guldberg
1987: 3). Identifying the dilemmas this created for performers and musicians, Guldberg noted 'an intimate interdependence between all segments of the music industry'. He did not however, propose solutions to the enhancement of such interdependence (Guldberg 1987: 3). Consequently, popular music in the existing music industry context was relegated low status among the genres, which was to be expected given the reliance on the Musicians Union and Music Board contacts, which have a long history of being antipathetic to popular music (Steedman Interview 1993). Nevertheless, by invoking the industry case in the context of the transforming national economic context, it was possible to keep popular music on the policy agenda by tying it to the apron strings of industry.

Guldberg's hands were tied by the twofold administrative intention of the report: 1) the challenge to Australian opera funding drawing away Music Board monies and 2) the requirement for the Music Board for 'real funding increases' (Guldberg 1987: 12). In fact, the use of 'industry' within the title of the report was a misnomer. Guldberg invoked the word 'industry' for his approach, but retreated to the subsidy model in the detail. Useful information on music culture was nevertheless presented, as the 'Key Issues Arising from the Study' summarised:
A. Growth in Music Activity;
B. Low Incomes for Popular Musicians;
C. Stagnation Trends in Market Supplies of Music Goods;
D. Declining Australian Production;
E. Impact of Technological Change;
F. Lack of Geographic Dispersion within Australia

6 In its survey of local music teachers' associations, Guldberg found 'Teaching methods based on classical music forms, and classical music in general dominate'. Not surprisingly, Guldberg continued: 'Only 22% of respondents nominated popular music as their art form; 85% of these said middle of the road. Some other popular music categories came up as supplementary music art forms: 44 of 108 mentions were folk (leading the count), jazz, country and rock (rock a poor last)' (Guldberg 1987: 249).

7 The amount of music funding has fallen per head of population, and even more per head of practising musician. Apart from one recent year when the amount of funding increased strongly, it has been difficult for the Music Board to divert increasing funds towards the large group of activities and projects other than the Australian Opera for which it has funding responsibility. To a large extent, funds for activities other than opera are residual: what is left after the Board has discharged its obligations to the opera. Undoubtedly State arts authorities face a similar dilemma' (Guldberg 1987: 12).
G. Male Dominated Industry;
H. Abysmally Low Income for Ethnic Musicians;
I. Arts Authority Funding Versus Economic "Reality" (Guldberg 1987: 9-12). The report was a useful exercise in adding detail to the Medium Range Plan released February 1986, 15 months earlier, yet it did not differentiate the existing music industry from the subsidy context. It did not conceptualise the articulations between stakeholders. The result was that the economic dimensioning issues of industry production and market size were not expressed in relation to issues of domination by multinational record companies, as Austrade had noted in its report. Instead, the requirement for 'even more diversity of assistance' was careful couched in the suggestion that:

the issue may become one of finding alternatives to direct subsidy, such as tax breaks and investment allowances to encourage local content and greater international exposure of Australian music (Guldberg 1987: 12).

Closer examination indicated that the exposure was to be of music 'in all its forms' (Guldberg 1987: 12).

The confusion of categories combined with one of the report's agenda items - examining the slide in available Music Board funds - served to limit the direct benefits a clearly focused policy document should have. Issues were couched in bureaucratic, self-serving terminology, such as 'the lack of any real long term growth in total funding' and 'The plan implies a radical restructuring of Music Board activity' (Guldberg 1987: 15, 23) As 'the most comprehensive account of the Australian music industry yet formulated', as Conygham and Letts said in their Foreword, their view was that these broad dimensions would create 'more possibilities' (Guldberg 1987: V).

As I noted above however, various stakeholders expropriated different parts of Guldberg's report for their own purposes in ways that extended musical activity within the country. In some cases this facilitated shifts in the historical direction of the Australia Council, in particular, the way
in which emerging musical forms were encouraged as well as support for community music programs (Owens interview). I will detail some of the community music programs in the next chapter, especially the way in which they gravitated towards popular music forms and the existing music industry. However, the primary impact of the report was its long term affect on the economic and industrial definitions which dominated the existing industry. In this respect it was constructive.

This economistic priority produced a reference point for stakeholders and policy makers who required statistical detail which had become unhelpfully reductionist in its use of economic policy tools. Or as Pusey suggested, it was a limited focus which 'arrogantly assumes that economies, markets and money can always deliver better outcomes than states, bureaucracies and the law' (1992: 66). Veblen's suggestion that government's produced a Business Administration as part of their investment in the machine process, can be applied to this aspect of Guldberg's report. It was advocating a sort of bureaucratic economism. Certainly, there was potential for realising social provisioning outcomes from the report, although they were oriented towards administrative issues for the Music Board to take up, with little concern for popular music. Yet the economistic priority helped make the case from a general policy perspective - that music had to be considered as part of the mainstream of the Australian economy. Popular music remained a silent cultural presence, although it was the sector within which vast amounts of money flowed. The enormous difficulties incorporated within this dilemma could only be avoided by a form of denial of popular music by the Australia Council. It surfaced most clearly in the McLeay Report.

10.2.5 The tenuous connection between contemporary music and the arts bureaucracy is reflected in Australia Council grant statistics....

Ms Fatin - Have you ever funded young composers who want to write for some of these rock groups? Could they apply?
Dr Letts - They could apply but to be honest I do not remember there having been an application. It is another world, of course (McLeay 1987: 170).

A comprehensive policy case could not be made based on economic measurement coupled with ignorance of the popular music domain by the nation's key cultural organisation, the Music Board of the Australia Council. Assumptions that economic measurement and quantifiable outcomes in the private, existing popular music sector would provide adequate solutions to policy concerns was critiqued by the implementation of a social-democratic model of arts subsidy in another report. As I have outlined previously, a mixed economy approach meant that the policy focus needed to incorporate social values and cultural interests, or 'public benefit' (McLeay 1986:). These interests were expressed in detail in Patronage, Power and the Muse: Inquiry Into Commonwealth Assistance to the Arts (McLeay Report), released in September 1986. As a policy document it put in perspective the ALP view on social provisioning. Unlike Guldberg's attempt, the McLeay Report endorsed popular music, while raising keenly informed questions about the value of the vested interests involved in the arts subsidy sector. In taking an activist approach to its subject the all-party committee recognised that 'the arts provide public benefits' and that the 'role of government in the arts is to maximise those benefits':

We reject the view that Commonwealth assistance is a right of the arts because of their merit. We also reject any suggestion that arts assistance is a specialised form of welfare for artists (McLeay 1986: 4).

The authors of the report constructed an uncompromising relationship between public benefit and 'public access to a diversity of art'. 'Access and diversity should thus be principal objectives of assistance to new art' (McLeay 1986: 4). It was not clear how 'new art' was defined, nor was it fundamental to the logic of the case. However, the linkage between public benefit and access and diversity was primary to the overall incorporation of popular music into the
document and its recommendations. Public benefit as a concept was scrutinised. It was not, the report insisted, a means whereby a limited economic reading of subsidy could be interpreted by economists to reflect their interests in the established system of public funding. Rather, the definition of public benefit used by the committee incorporated 'popular arts and entertainment' which were already adequately supplied in the 'market'. The committee rejected the assumption that subsidy to these areas of creative endeavour would not produce public benefit because of their existing market appeal (McLeay 1986: 167). This was an issue with which the Report struggled and in so doing, made a contribution to redefining democratic principles of participatory government. In essence, what McLeay did was to rupture any existing procedures by inserting the existing market dominated, economically sustainable popular music sector into the arts subsidy debate and make a case for 'diversifying patronage' (McLeay 1986: 35).

A major part of the McLeay Report's concerns therefore, was to put contemporary music on the public cultural agenda. Pete Steedman's close association with Leo McLeay, the chairperson of the committee and the Speaker of the House of Representatives, had a key impact on the incorporation of popular music into the document (CIRCIT presentation). Steedman's good fortune was to find in McLeay one of the rock music generation of politicians whose life experiences incorporated a personal investment in changing concepts of arts funding and administration, to include popular music. As chairperson of the committee, McLeay established his own agenda. He made it clear what his objective was.

CHAIRMAN - It is very good of you to give us your time and to give us some of your views on what assistance there ought to

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8 'The difficulty of assessing the optimal use of public resources is not confined to the arts, it is a feature of many, if not most, government programs. In the arts, as in many areas of public administration, objective measures of cost and benefit are lacking and government must simply do their best to try to assess the public interest'. The document went on to suggest that 'governments are required to maximise public benefits when there is no agreement on the nature of those benefits, while simultaneously being concerned with the sort of decision making processes which ought to apply in such a situation' (McLeay 1986: 37).
be for the art of rock and roll. I must say that Committee members will realise that I have a prejudice in that area and that I have tried to get other people to say there ought to be government assistance to rock and roll. I have not been successful but I might get the right sort of responses from you ((McLeay hearings 7 November 1985: 369).

During the public hearing phase of the inquiry he asked Ian 'Molly' Meldrum, the highest profile music marketing identity in Australia the following question in which he established popular music as 'art'. Meldrum's answer helped establish for McLeay, at least, that popular music was not only 'art' but an artistic profession:

CHAIRMAN - Do you think the reasons governments do not give assistance to rock and roll for instance, is that the people who are handing out the money do not consider rock and roll to be art?

MR MELDRUM - Absolutely. I think the myth of going back to the days when rock and roll was under the guise of sex, drugs and rock and roll is quite absurd now. Over the last 10 years especially, rock and roll has proved to be a very professional business (McLeay hearings 4 November 1985: 372).

This line of inquiry established the basis for including popular music in the report. It was not, however a case of introducing art alone into the arts. It was a case of shifting perceptions of 'excellence', which was and continues to be a founding and exclusionary basis for Australia Council operations. The introduction of existing music industry personnel such as Ian Meldrum and representatives from the Australian Record Industry Association (ARIA), into the inquiry was a breakthrough. Chairman McLeay, ALP representative (and later Federal Arts Minister) Wendy Fatin discussed the issue with ARIA representatives, Executive Director of ARIA Victoria Rubensohn and ARIA Board member Peter Rix on 7 November 1985. Fatin's preconceptions about Australia Council language stand in contrast to other approaches, not determined by arts bureaucracy key words, such as 'excellence'.

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Ms FATIN - Do they ever use the term 'excellence'. Earlier you talked of creativity - this notion of excellence among other artists in other field?
Mr Rix - It is a process of evolution: You strive to make better records. The ethos is to do that.
Ms FATIN - They see it as a form of excellence?
Mr Rix - It is an art form - in a mass form, I might add.
CHAIRMAN - It is probably the biggest art form.
Ms Rubensohn - The reason why we are sitting here today is because we felt that bodies like the Australia Council have overlooked the whole of contemporary music for so long and, as Mr Rix said, it is an art form in fact, it is THE mass art form. If the objective of the Australia Council, as I understand it, is to extend the awareness of Australian culture and to extend access to and participation in that culture, the contemporary music field, dollar for dollar, reaches more Australians every day than any other field ...
This is the first time we have ever been approached to appear before anybody with any relevance to government funding of the arts. My organisation has never been approached before on that. (McLeay hearings 1985: 430-431).

Submissions and discussion like this established the new terrain over which discussion of arts subsidy funding could traverse. The established music industry was brought into the domain of both the government and the arts. Peter Rix noted that Ian Meldrum had never been 'invited' to comment on popular music in 20 years activity on the field. 'No one has ever asked his opinion about how we can help these kids' (McLeay hearings 1985: 431). Having introduced the government and the existing industry into a relationship, the next task was to convince the public of the value of articulating popular music with the arts subsidy context.

Two methods were used to convince the public of the value of linking McLeay's investigation of arts funding and of popular music. The first method was an endorsement by the mainstream media, following the tabling of the report in Parliament on 18 September, 1986. The Age arts editor
Michael Shmith called the report 'thorough and succinct', 'a model of clarity, precision and even restrained humor' (23 September 1986: 14). The report's comprehensiveness, combined with its detail and commitment to democratic politics, provided an opportunity for arts critics, such as Shmith to congratulate the sector in which they were deeply and professionally embedded.

Moreover, the concern of Leo McLeay to provide a reasonable overview of the Australia Council and its administrative procedures, did not necessarily challenge existing funding structures. The report itself, as if to ease the anxiety of the arts sector, said the inquiry intended 'to review...the administration of art support' (McLeay 1986: 16). It also proscribed interests: 'The purpose of cultural policy is to secure the rights of this diversity of interests not advance any particular narrow range of cultural activities favoured by dominant groups in society' (McLeay 1986: 35). The prospects for increasing the number of stakeholders and participants in the arts sector in general, invigorated critics who supported the report's ambition to extend arts activity in Australia.

The uncompromising commitment to broadening the cultural sector was complemented by McLeay's personal determination to include popular music as part of the mix. In releasing the report, McLeay sought to challenge attempts to undermine chapter 10 of the report 'Contemporary Music' and Recommendations 23-27, which dealt specifically with popular music. He was reported in The Age, the day after the report was released saying:

Rock and roll is the culture of my childhood, and I'm going to do something about getting it some recognition, for two reasons - first, because it is a cultural experience, and second, because it's an industry that we in Australia can export very successfully overseas, and we have done too little for it (Garran, 1986: 6).
The second means of convincing the public of the value of the work of the Parliamentary Expenditure Committee, was undertaken by the Minister for the Arts, Barry Cohen, when he tabled the report in Parliament. Cohen's endorsement of the report, highlighted the changes to the Australia Council. As Cohen put it: 'The McLeay report raises a number of particular issues concerning the development of the arts. These include the development if contemporary music, the introduction of royalty schemes, the operation of artbank and a number of taxation issues. Some of these issues require considerable examination and consultation. This is being undertaken' (Parliamentary Debates, Hansard 28 May 1987: 3). Cohen noted that the Government and the Australia Council had 'complete agreement on future directions' for the Arts, citing in particular, the amalgamation of the theatre and music boards into a performing arts board and establishing 'a new community cultural development unit' within the Australia Council (Parliamentary Debates, Hansard 28 May 1987: 2). As I will indicate in the next section on community music, this was the beginning of a new era in high level government support for funding musical activity at local sites, although the musical activity was not at this stage differentiated from the generic concern with access: 'Community arts remains a cornerstone of the government's arts policy and represents an essential element in facilitating greater access to the arts' Cohen told the House of Representatives (Parliamentary Debates, Hansard 28 May 1987: 3). Cohen's emphasis on community arts initiatives removed the focus from popular music, although he noted that the conservative Opposition had provided a 'frightening indication' of its approach to the arts, with one suggestion being to advocate Italian opera for schools (Parliamentary Debates, Hansard 28 May 1987: 4). However, the primary issue from a political perspective was to consolidate the change in emphasis in the arts from a narrow subsidy view to the broadening approach, whereby 'everyone in the community should have opportunities for artistic and creative expression', which were incorporated as 'an integral part of the development of our society' (Parliamentary Debates,
Hansard 28 May 1987: 4). This confirmed what the report had noted, that 'cultural commentators' acknowledged that 'cultural value is not limited to any narrow range of activities' (McLeay Report 1986: 23).

The McLeay Report's 30 recommendations incorporated a variety of significant shifts in focus for the Australia Council. The concerns with popular music were identified early in the published report, which continued the combined strategy of uncompromising support for popular music as art, as well as introducing the existing industry to the equation:

The Committee believes that contemporary music, the vast bulk of which is commercial and popular, is an important art-form. We argue that significant public benefit could accrue from selective assistance to popular contemporary music. Much of this assistance equates to the types of government infrastructure support readily available to more established industries rather than to conventional arts subsidies (McLeay Report 1986: 8).

The concerns Leo McLeay had sought to raise about popular music were expressed in recommendations 23-27.

Recommendation 23: The Australia Council should convene a working party to develop appropriate business training arrangements for new entrants to the contemporary music industry. The working party should include representation from a broad cross-section of the industry, it should pay particular attention to the problems of delivering training to the industry.

Recommendation 24: The Government should, as a matter of priority, introduce a levy on the sale of blank audio recording tape to finance royalty payments to holders of copyright in recorded music.

Recommendation 25: The Australia Council should establish a scheme to assist talented contemporary musicians in the production of demonstration tapes, video clips and their first record.
Recommendation 26: The Council, together with the Technical and Further Education sector, should develop relevant training for the contemporary music industry covering:

(a) business principles for aspiring contemporary musicians
(b) training in recording and production techniques.

Recommendation 27: Council should develop a scheme, similar to those it administers for visual artists and writers, under which talented musicians are assisted to train, study and perform in appropriate overseas centres (McLeay Report 1986: 13).

The comprehensive arts training approach relied on forcing recognition of the relationship between the existing music industry, the arts, education and training, in the context of Australia Council activities. This was ambitious by any measure, especially given that bureaucrats acknowledged that this was the first time existing music industry representatives and government officers had worked together (Harlow Interview). This was an indictment of both agencies, given that there were opportunities well before the inquiry was held to establish contact, as I shall soon indicate. Furthermore, ARIA was a member of the National Arts Training Committee (NAITC), formed in 1983. NAITC made a submission to the McLeay Inquiry, in which it called for a detailed program of arts education and training, suggesting that 'Any inquiry into assistance to the arts should consider assistance in the form of training and retraining for practitioners' (NAITC Submission 1984: 1328). The relationships were forming, yet no processes for industry and arts industry communication and cooperation existed. As I will show in a later section, this endemic gap between the music industry and the arts and policy implementation agencies was not readily overcome.

Nevertheless, positioning popular music as 'probably the most widely experienced art-form in Australia today', created opportunities for existing stakeholders (McLeay Report 1986: 166). However, the authors of Patronage, Power
and the Muse 'had some doubts ... as to whether the Australia Council is an appropriate body to administer programs of assistance to contemporary music' (1986: 170). Pete Steedman moved quickly to fill the gap in the Australia Council's administrative expertise. Steedman prepared and put to the Labor Government Cabinet a proposal which summarised the popular music recommendations included in the Austrade and Expenditure Committee Reports, reiterated his support for them and detailed a set of his own.

His strategic manipulation of the opportunity was timed to maximise his interests in realising a set of implementable recommendations, given the right historical circumstances. Steedman introduced a strategy of assumed necessity, whereby the Labor Cabinet was encouraged to believe that the inevitability of popular music policy initiatives flowed from the reports and recommendations already in circulation. Using his contacts, guile and lobbying expertise, Steedman presented his case as a fait accompli. For example, his summary of the Austrade export panel's activities reinforced the assumption that further action was planned: 'It is presumed that more detailed recommendations of measures to stimulate rock music export and plans for the development of these will be prepared by this advisory group, over the next few months', Steedman's cabinet submission said (Cabinet Submission 1988: 16).

Steedman's main assumption however, was to link the McLeay Report's recommendation for a blank tape levy with the establishment of a special popular music foundation. This was a new and unexpected proposal, intended to complement, rather than 'be interpreted as a substitute for the provisions by the Australia Council of general grants to

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9 In fact the changes in administrative and operational focus were such that in 1995 former Australia Council chairperson Rodney Hall claimed that nearly 10 years after the report, 'The wounds are still fresh from the Hawke Government's McLeay Report' (Hall, 9 December 1995: 10).

10 It is instructive that the submission, provided to me by Steedman, is undated. When Steedman gave me the document, it was the excerpt of the entire cabinet submission that was of concern to him and which he had prepared. The absence of documentation reflected the speed with which the recommendations were being made and the demand following the cumulative impact of Austrade and McLeay Reports.
contemporary music artists along the lines of its general grants through the Music Board but as a parallel development' (Cabinet submission 1988: 16-17). The proposal was also expected to run parallel to Austrade's popular music export initiatives. Yet the most appealing aspect of Steedman's strategy of assumed necessity was to establish a 'self-financing' 'assistance scheme' for a 'commercially viable industry' (Cabinet submission 1988: 16). Recognising the difficulty of gaining support for more funds for a new cultural institution, Steedman provided a single option for Cabinet's consideration, which had been flagged in the McLeay Report recommendations:

If the concept of such a levy was accepted it could be argued that a reasonable use of the funds from this source could be the stimulation of the rock music industry through the establishment of a foundation based on this levy. Precise figures for imports of blank tapes are not readily available but the estimated annual value of these is approximately $15 million. A levy of 20 cents per tape would thus produce about $3 million each year for assistance to contemporary music. (Cabinet submission 1988: 17).

The expectation that a foundation would 'stimulate the industry' proved to be poorly conceived. It failed to recognise that the already viable industry did not require stimulation, so much as an administrative mechanism to assist musicians gain access to education, training and recording opportunities, followed by access to domestic audiences and the export markets. Similarly, suggestions for the approach the foundation would take in administering its program confidently included assumptions about involvement by the music industry and the belief that it would:

of course, be essential for the foundation's direction to be representative of the contemporary music industry and to include its most progressive elements (Cabinet Submission 1988: 18).11

11 The proposal for the 'Establishment of a Foundation' in Steedman's cabinet submission was bold indeed. 'However' the advantages of a foundation include flexibility in an industry where directions change frequently, responsiveness if the industry perceives that its "own money" is being used, independence from government, the ability to attract private and rock industry funding in special funds from industry in general or advertising, an in the longer term, the possibility that the foundation would
Continuing the push for action, Steedman included in his submission details of proposed programs the foundation could conduct, many of which formed the basis of the day to day activities of Ausmusic, which I will detail in a later chapter. They were practical proposals which took up all of the McLeay and Austrade's Report recommendations, which I have detailed above (Cabinet Submission 1988: 18). Steedman's submission was a success. Cabinet agreed to the submission and to 'an additional $1 million Government funds' to provide 'the foundation stature and initial impetus' (Cabinet Submission 1988: 17).

I will conclude this chapter with an overview of some of the knowledge limitations about existing music industry, which had a debilitating impact on the recommendations and the plans arising from them.

**Restricted knowledge**

In concluding this overview of these key Federal reports I will reiterate the limitations and contradictions arising from them. In identifying some of the limitations in the knowledge about the existing industry, the articulation of all the stakeholders within the policy process can be recognised as less collaborative and more problematic than a directed reading of government reports allows. The limitations and contradictions arising from the reports can be summarised as follows:

Lack of interest in explicitly incorporating young people in consultation about federal popular music policies, together with minimal use of ABT information about popular music consumption;

The absence of music industry organisations such as ARIA, the major record companies and copyright agencies on the Austrade panel and in Guldberg's report, thereby restricting the view of and relationship with the industry and the policy opportunities flowing from such an alignment;

develop its own identity and reputation for excellence. It would, of course, be essential for the foundation's direction to be representative of the contemporary music industry And to include its most progressive elements' (Cabinet Submission 1988: 18).
Guldberg's confused definition of the Australia Council's arts-music subsidy and the industry;  
Ignorance about detailed knowledge of the music industry and associated statistical information;  
Federal Cabinet agreement to fund a new organisation to administer popular music development on the basis of restricted knowledge of the existing music industry in Australia;  
Conflict between the community arts objectives of Arts Minister Cohen and Steedman's strategy of assumed necessity for a foundation funded by the blank tape levy;  
A federal focus that did not include state or local popular music policy activity as part of the strategic planning.

The importance of 'restricted knowledge' was that it engendered an environment of distrust of the existing industry. Austrade's Export Development Strategy: Popular Music made its opinion clear:

> In view of the diversification of the rock music industry, the lack of any fully representative body, and the almost total absence of reliable statistical data on the size, nature and profitability of the industry in Australia and overseas markets, field survey work was undertaken in Sydney and Melbourne where the majority of Australian industry participants are based (1986: 2.3).

'Field survey work' would not provide a definitive base for statistical analysis either. This point was not made in the report. The absence of self-criticism permeated the policy environment and caused distrust of the statistics and the processes used to make assessments. It became public in the McLeay Report's view of statistical information. This Report included both a warning and an attack on some of the existing statistical data. In item 10.2.2 the McLeay Report said:

> The established arts have little interest in the conditions of contemporary music, except it appears, to include its production statistics in analyses arguing the importance of the arts. Professor Throsby, writing as a representative of an arts lobby group, The Alliance, for example, put it to
the Committee that an increase in Australia Council funding would be justified, in part, on the basis that the arts, culture and entertainment contributes $6.5 billion to gross domestic product (GDP). This issue of aggregate figures fails to reveal that contemporary music, which undoubtedly contributes a greater component of the $6.5 billion than all the subsidised arts combined, received Australia Council subsidies of only $55,385 in 1984-1985, slightly more than one seven hundredth of the Council’s arts support budget for that year (1986: 169).

The attempt by the vested interests of the arts subsidy sector to use aggregate figures to present its point of view assisted McLeay in making his case for policy activity involving 'contemporary music'. The argument was constructed on the basis of a logic which acknowledged the self interest and misinformation used by the arts lobby, to the detriment of popular music interests. McLeay himself noted that an earlier estimate of the music industry - in The Artist in Australia Today - put the number of musicians at 10,000, with about 3000 of them classified as rock musicians (McLeay submissions 1986: 386). Peter Rix made his own estimate: 'I would like to submit to you that in Australia there are in excess of 18,000 musicians actively working in what is called contemporary music' (McLeay submissions 1986: 419). This figure was unsubstantiated.

The absence of statistical detail and the stinging rebuke aimed at Professor David Throsby, one of the world's recognised arts economists, raised issues of information quality assessment that should have been at the forefront of the inquiries and report writing process which led the policy formation. And while the existing music industry informed Leo McLeay of the uniqueness of the invitation to be involved in his inquiry, noted earlier, there was a commensurate absence of academic and critical expertise brought to the discussions, with the exception of the ABT's
survey and analysis\textsuperscript{12}. Yet any policy activity that sought
to bring the arts subsidy-cultural sector into some sort of
alignment with the existing industry should have recognised
that it was dealing with two major challenges: the existing
and therefore well established, global music industry; the
new popular music policy terrain which had no public policy
presence, or a credible analytical and statistical base. By
incorporating academic and critical interests, some
solutions associated with linking the existing industry with
the arts subsidy sector may have been introduced into the
policy considerations. For its part, there is little
evidence, apart from ARIA's presence in the McLeay Report,
that the existing music industry was rushing to involve
itself with government policy activity.

The Economist made the point about the difficulties of music
business financial assessments as recently as 1991, perhaps
indicating that it has only been in this decade that
questions have been raised in the mainstream press about the
music industry's behaviour. 'There has never been anything
quite like the post-war record business, so it has never had
anything against which to measure itself', The Economist
said in A Survey of the Music Business: Almost Grown, a
special supplement (December 21, 1991 :5). The magazine
noted that 'the music business has played by its own rules.
It has therefore developed habits that it will need to lose
as the game changes' (December 21, 1991 :5). Then under the
sub-heading 'Too much monkey business' the magazine
continued: 'The worst bad habit is the unwillingness, to
distinguish between marketing and hype' (December 21, 1991
:5)\textsuperscript{13}.

\textsuperscript{12} For example, ABT research project leader, Susanna Argady contacted me during the early stages of the
development of the project for information and advice on popular music activity. She worked closely
with a variety of people, including Melbourne researcher Lawrie Zion, who was completing his Ph.D on
Australian rock in the early 1960s. These contacts indicated an interest in academic and critical input,
giving the final report added credibility.

\textsuperscript{13} The Economist made the point that the industry in the UK had reduced the number of record sales
required to qualify for a platinum award from 1 million to 600,000, in 1989, to assist the promotional
prize winning system that is 'a way of maintaining the excitement that fuels teenage sales' (December 21
1991: 5)
If hype concerned The Economist, the rhetoric which drove many of the government inquiries and reports at a Federal Government level would have benefited from a more cautious and informed approach. Indeed, it was not that the major industry had not been involved with Government. As I will show in the chapter on the Prices Surveillance Authority inquiry, Copyright was inextricably linked with Commonwealth Government legislation, while the radio content quota was a key aspect of Broadcast law. Less publicly, the government had been involved in setting sales tax rates for retail sales of sound recordings. For example, late in 1983, the government reduced the sales tax rate for sound recordings from 32.5 percent to 20 per cent. This had the effect of halting the stagnation that lasted from 1976 to 1983, when Australian sales fell from 36 million to 20 million. The economic recession in the late 1970s and early 1980s also influenced demand, but it was the government action in lowering sales tax and prices which was reported as the influential action in accelerating demand, by the International Federation of the Phonographic Industry's (IFPI) World Record Sales 1969-1990: A statistical History of the World Record Industry (Hung and Morencos 1990: 12). Closer investigation of the IFPI report reveals how artificial the figures for the Australian record industry's continued growth were: 'Regular price increases during the last five years (1985-1990) have made the Australian industry profitable...' (Hung and Morencos 1990: 12)\(^*\). The PSA inquiry considered this matter in detail in 1990, as I will show later, with ARIA, in particular - which by then was involved in the public policy process - denying that Australian CDs were highly priced compared to the US and the UK.

Information about existing industry behaviour began to circulate more freely in the 1990s, by which time it was too late for the inquiries considered above, or indeed, the PSA.

\(^*\) The statement continued: '... and enabled the companies to make a considerable investment in the recordings of Australian artists such as: Midnight Oil, Men At Work, Jason Donovan, Kylie Minogue, INXS and John Farnham' (Hung and Morencos 1990: 12).
For example, in 1991, a high profile Age newspaper article cited an executive with Melbourne-based retail chain Brashs lambasting the industry:

> We are concerned at the amount of time being taken up at store level by record reps hyping staff with what amounts to bribery in order to get certain titles up the charts. We have asked all record companies to refrain from this practice, including phone calls on Fridays to 'remind' chart staff about priority titles' (Carney Saturday Extra, 4 May 1991: 1).

The reports I have examined in this chapter, were not concerned with these issues, although additional and supportive public criticism, such as that made by Leo McLeay, would have established the difficulty of working with the industry. As I will show in later chapters, such knowledge would have had a considerable impact on the success of the policy initiatives.

Some of the issues involving the restricted knowledge arising from limited statistical analysis were recognised later and taken up by the Cultural Ministers Council which requested the Australian Bureau of Statistics to gather details on entertainment usage in Australia\(^\text{15}\). In 1990, the Australia Council commissioned Hans Guldberg - again - to assist in explaining and defining 'Public Finance Sub-groups' as produced by the ABS. By this time, however, the caveats about the detail were given prominence, as Lynden Esdaile, the Director of Strategic Development for the Australia Council, said in the Preface to Guldberg's report, *Cultural Funding in Australia: Federal, State and Local Government* (March 1991):

> This report is the first analysis of all government funding using the public finance categories devised by the Cultural Ministers Council's Statistical Advisory group. ... The raw data analysed in this report have been drawn from a variety

\(^{15}\) The council was formed in 1984 'to provide a forum for the exchange of views on issues affecting cultural activities in Australia': the Statistical Advisory Group (SAG) was established by the council in November 1985 as a result of 'noting the huge deficiencies in culture-leisure statistics in Australia' (Notes from the 1991 SAG/ABS brochure: *Australia's Culture: Report on Attendance at Selected Cultural Venues* - 1990-91. Cat.No. 4114.0).
of sources; each of these sources has its own set of assumptions and restrictions, so that readers using the results presented here should interpret any comparisons cautiously (Esdaile 1991: Preface)

The ABS added its own cautionary notes in its 1991 publication: *Music and Performing Arts in Major Venues in Capital Cities*:

The data presented in this publication should be treated with care. The survey only covered selected venues, this should be taken into account when comparing data between the capital cities.

The result of such inadequacies was that the policy initiatives which flowed from the Federal Government reports in the mid-1980s could not rely on industry information and statistics for guidance. This manifest itself in remarkable ways. For example - to return to the informal information sources which provide an important counterpoint to the formal ones - during a conversation in 1990 with Ian Smith the executive director of the Victorian Rock Foundation, I was told that the Guldberg Report's figures and arguments were unreliable and unhelpful in assisting the VRF in its program. I asked Ian Smith why he did not trust the report as a basis for guiding the activities the VRF was attempting to build. His reply was that when Guldberg was gathering data for his report, he contacted the VRF for statistics on the rock music industry. The figures provided (over the telephone) to the researchers were 'made up'. The limitations of the inquiry process such as this, added to the difficulty of implementation, when the VRF and Ausmusic were established.

In this chapter I have traced the flurry of Federal Government sponsored inquiries and reports into popular music in 1985-1988. I have shown that diffuse interests and conflicting demands of the arts subsidy sector and the existing popular music industry, together with bureaucratic inexperience and individual self interest, acted as constraints on policy activity. In this environment, popular
music could not readily be 'assimilated, incorporated, institutionalised', as Turner suggested. In the next chapter I will indicate how the micro activity of the community music sector favoured by Arts Minister Cohen, delivered services and met public interests which gradually converging with the existing popular music industry.
Chapter 11

Community music - unexpected achievements

As I showed in the previous chapter, the ALP's commitment to new ways of organising subsidised cultural activity was linked with the inquiries and reports in the years 1985-1988. Yet what did not emerge from the reviews was an appreciation and investigation of existing community music activity. Although it was originally tied to the privileged high arts music sector, community music offered a basis on which to build popular music policies from existing programs and expertise. Importantly, community music activity existed prior to the 1982-'83 election of Labor Governments in Victoria and Federally, raising the question of how a social democratic political party of reform could remake the elite music programs funded by conservative governments, as popular music programs. My research has found no evidence that this question was proposed or the opportunity examined. However, my research also found that the programs that were funded by pre-Labor conservative governments were continued by Labor. They were better funded and flourished, providing a contrast to the bold policy proposals made elsewhere, which did not have the support of the existing popular music industry.

A noticeable set of community music activities was funded in the very early 1980s by the conservative government in Victoria, where it was classified as part of a Cultural Development Grants program. It was offered as part of a cultural musical experience, as opposed to the ALP's community development program, which made empowerment a major objective (Koehner Interview 1993). By the mid-1980s, the emphasis within community arts programs in general was moving from the elite to the popular. As Hawkins found in her community arts study, a 'discursive shift' to an

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1 In the 1981-1982 Victorian Cultural Development Grants, community music activities received 48 grants, 19.5 per cent of the total, valued at $880,980. The following year, music received 52 grants, valued at $838,600, accounting for 16.1 per cent of the total funds, a fall from the previous year. Source: Victorian Arts Reports 1981-1982 and 1982-1983. Examination of annual reports revealed that there was no dramatic change in the relative value of funds allocated to community music in the years until 1990, when reporting methods altered.
emphasis on community activities that 'raised consciousness, affirmed identity and generated "community"', emerged from about 1986 and was reinforced by Minister Cohen's support in response to the McLeay Report, noted in the previous chapter (1993: 157).

Music in the community in Victoria prior to the election of the Labor Party to government in 1982, offers a helpful starting point. For example, Music '81 involved six composers working with local groups in the 'Composers in the Community' program, funded by Arts Victoria, with participants in regional Victorian centres such as Shepparton, Bendigo and Leongatha and suburbs of Melbourne like Camberwell (Victorian Arts Report 1981-1982: 5). Two conferences conducted in 1981 suggested portents of emerging activity: 'International Music and Technology' and 'The Medicine and Music Conference'. Clearly, community music was on the policy agenda before the arrival of the ALP to Government in Victoria, suggesting that policy initiatives can sometimes lead the political agenda. Such an assessment needs to be measured against the politics of the musical styles, audiences and outcomes ALP initiatives sought, which were opposed to, yet developed in relation to and as an extension of, existing power structures (Bennett, Frith et al 1993: 4-5). So the six musicians (in addition to the six composers) who were funded by the Victorian Arts Ministry in community music training programs in 1981-1982, were not rock and pop musicians, but fine music and orchestral musicians, acting for elite music interests. The shift to community (development) music came with the election of the ALP in Victoria. The flourishing activity and the change in political focus prompted Arts Victoria Director Paul Clarkson to suggest minor alterations in emphasis:

It is clear that in the years that lie ahead, there is a need to integrate our existing arts resources and develop them for maximum community involvement and enjoyment. The community arts movement which has developed strongly in the past year has gone a long way to dispelling the myth that the arts are a minority preserve. ... Individual
communities are seeking professional arts workers and the 'Music '81' program of 12 musicians-in-residence provided a major impetus for this program (Victorian Arts Report 1981-1982: 5).

Clarkson was recognised as a skilled arts bureaucrat identifying the winds of change that came with a new, reformist government sweeping across the privileged, yet tired arts subsidy model. Two years later Clarkson was suggesting that 'the greatest challenge' for the arts in Victoria, was 'to engage young Victorians in the arts through their direct and sustained participation both as performers and audiences' (Victorian Arts Report 1983-1984: 8). By this time, community arts had moved from the front line to become part of the day to day of the subsidy arena. In its place youth became a policy focus. However, in both cases there is no suggestion that popular music was to be articulated to these Arts Ministry concerns, nor indeed that it would be a site for industrial development. Popular music interests were not within the Arts Ministry's ambit, but would follow later in the 1980s. Elsewhere in Victoria, without reference to these community music program, a community youth music programs was being developed.

**The Push**

The Push was created in 1987 as a youth organisation by the Victorian Youth Affairs Division of the Department of Labour at the Direction of the then Labor Minister for Youth Affairs, Steve Crabb. It followed other youth affairs programs, especially those related to public events such as Moomba and Rocking the Royals, referred to earlier, which involved significant personal ownership that inhibited the long term effectiveness of popular music programs in Victoria. Part of the conflict involved ALP party factions - the right's support for The Push's community activities, versus the left's support for the bigger, federal level of activity with the established music industry (Pete Steedman and Graham Stephen). The Push, according to Linda Carroll, its founding Executive Director, who previously worked on the concept for the organisation within the Youth Affairs
Division of the Victorian bureaucracy, was about 'youth culture' (Phone interview: 11 November 1994). 'Ask the kids', was her response to questions about The Push (Phone interview: 11 November 1994). For their part, the Victorian Rock Foundation and Ausmusic were run by people with 'an old rock dog mentality' (Phone interview: 11 November 1994). Sadly, the lack of trust and an absence of coordination and trust between the Victorian-based organisations was never resolved. It is an example of the limitations of encouraging strong individuals who establish good policy initiatives, to then take those ideas and attempt to implement them. Yet, on its own terms, The Push was a remarkable achievement.

The story about The Push and popular music begins following the 'Summer in Motion' program in 1987, when a shift in emphasis of the youth policy environment took place. It stands in contrast to the inquiries and reports undertaken in the Commonwealth domain, indicating that The Push was established out of community demands for popular music. 'Summer in Motion' involved a steam train that travelled around country Victoria with rock bands that played at railway stations. Workers noticed that 'whenever the music train was to perform, a spontaneous group of young people would often form, who either wanted to set up a secondary stage for local bands or who wanted to use the arrival of the train to draw attention to other issues, such as youth homelessness' (Annual Report, 1989-90: 2).

Incidents such as these gave bureaucrats a clue to the entertainment preferences of young people. A report on the program noted the change in focus from a youth club policy initiative to a popular music participation focus.

This program initially focussed on a whole range of community based activities which aimed to involve young people in active decision making processes at a local level.
The program worked most successfully when it assisted young people to organise local recreation activities; especially those involving live popular music (Funston 1991: 3).

The commitment to responsive policy activity for youth was clearly expressed in the aims of the organisation: 'The Push aims to ...encourage and promote the principle that young people should be able to participate effectively in the life of their community especially where decisions are being made which affect them' (Annual Report, 1989-90: 4). Proposals such as this were part of general social policy activity implemented in particular sites, in this case youth. Here, the circulation of relevant information to the community, together with the allocation of resources to enable activity to take place, was a key objective within the context of Labor Party policy.

Further initiatives were undertaken to assess what young people wanted, as part of the approach established by the Department of Youth Affairs and Labour. A survey of the 'pre-commercial level of the Rock Music Industry in Victoria', examined the conditions and needs of young Victorians who wanted access to music industry activities (Getting Started 1988: 17). Undertaken over 14 months in 1986-87 it was published in February 1988 as Getting Started in the Victorian Rock Music Industry. As a policy document it is rare in the manner in which it did not assume that policy makers were in an official and superior position to young people. Rather, it sought details from the young and music industry professionals, then brought those interests into alignment.

The report contained a selection of quotes and comments from people who had experience with popular music at the state level and its links with the national and global industry. Its terms of reference were to:

1) Provide a snap-shot of the band scene in Victoria,
2) describe the musical life of bands at the fledgling level of the business,
3) investigate the training options available to young players and their crews,
4) investigate young players access to rehearsal and recording studios,
5) describe the unmet musical and technical needs perceived by young players,
6) characterise the stated policies and initiatives of state and federal bodies which may have relevance to the development of a thriving rock industry which trains and supports young players (Getting Started, 1988: 17).

The publication was clear about the intended outcomes.

We have tried to give outsiders a window into the rock music business in Victoria while also assessing the opportunities for people seeking a foothold in the industry. The report recommends some practical and economical ways to help this branch of the arts grow more fair, creative, secure and prosperous (Getting Started, 1988: 17).

The report's 10 recommendations identified areas of need. An aspect of the first recommendation, to create a 'support service for new rock bands and technicians' was relevant to broadening the opportunities for participation in popular music in locally identified communities (Getting Started 1988: 10). Linked with a Push publication titled The Young Players Guide, launched in 1988, the service tried 'to put new bands and individuals in touch with the rock music infrastructure: its agents, venue operators, studios, unions, radio programmers, transport outfits, sound and lighting technicians, instrumental teachers...' (emphasis added, Getting Started, 10). The Young Players Guide reinforced informed participation in the 'infrastructure', by providing basic advice about the industry, live performance and people and places to go for advice.

An advance on the 'support' service notion of 'breaking into the system' was to work beyond the perimeters of the metropolis of Melbourne. A program was created within The
Push for 18 years olds and under to participate in live music clubs. This 'provision of services' was intended to meet the needs of isolated and anxious teens living outside the metropolis. They were given an opportunity to experience live music in their own locales. More importantly, through a network of self-managed clubs (often with teachers, youth workers, community workers, parents) those same young people (alienated from the live music experience in their locale), could control the music in their clubs.

Local pilot programs were established and The Push clubs followed. 'At the community level, the approach is based on participation and local relevance', with an organisational structure and membership system (Annual Report, 1989-90: 10). Events range from concerts with local bands and 'name' bands invited to perform, to discos, gong shows and competitions. Workshops are also provided for instruction in lighting, sound, staging, promotions, media and finance.

Young people get to see their favourite artists, local bands are given a chance to get a gig and club members, by taking some of the responsibility, gain experience in communicating and organising (Annual Report 1989-90: 10).

By 1990, 17 Push clubs across Victoria attracted 400 members. Attendances at Push events in 1990 was 31,800. There were 120 workshops, concerts and events presented in that year. (Annual Report, 1989-90: 17). By the end of 1993, 23,000 people had attended Push events, featuring 284 bands (Masterson, The Age, 22 July 1994: 3)

Popular music on the job training also became part of The Push's activities. During 1990-1991, the Rock Music Support Service offered advice and assistance to 582 bands, whose members paid a nominal fee. The service recognised that an effective flow of information to young band members would enhance their musical education and advancement.
The Rock Music Support Service is committed to the idea that industry rookies can still succeed without the patronage of the mainstream music industry, if they are properly informed, organised, enthusiastic and original. The service directly helps young people and promotes their interests to the best of their ability (Annual Report, 1989-90: 13).

One analysis of the Rock Music Support Service noted that: 'This whole level of the industry lives and dies on word of mouth; amongst bands, managers, promoters and the audiences themselves' (Funston, 1991: 18). This recognition of the ways in which young people participate in rock music and the support The Push offered, sets The Push apart from other organisations, such as the Victorian Rock Foundation and Ausmusic, which I will discuss later. Even more significantly, The Push challenged the status-quo of rock music consumption, by responding to young people's interests, and doing so in an alcohol-free environment (Masterson, The Age, 22 July 1994: 3).

With its clubs and support networks, The Push is an example of a program of community music based around servicing the needs of young people not only for entertainment but for empowerment and betterment, where they live. It provided an opportunity for cultural self-assertion, where youth and music interests were met. From a Victorian Labor Government perspective The Push increased the participation of 'interested and affected sections of the community', as part of the ALP objective of 'redistributing power in society' (Acton 1986: 32-33). Alternatively, such an interpretation may be another attempt to invoke a naive and romantic view of community activity. However, the approach adopted by The Push to organisation and cultural development is a bold and exemplary attempt at youth policy tied to popular music.

In the next section I suggest that popular music was undergoing a reconfiguration in the 1980s, making it increasingly possible for policy initiatives at the local,
community or micro level to deliver social provisioning outcomes, as well as generate industrial characteristics. Following this discussion I provide an overview of several community music programs from around Australia, which suggest that The Push was part of, yet isolated from an assortment of organisations committed to meeting the musical needs of people in a community context.

**Community music concepts**

In examining the micro context of community music policy, a new set of concerns can be identified that were articulated to each other. These concerns are derived from a definition of community music which includes the following characteristics: it is geographically delimited around localised sites; programs begin using primitive technology and production; it is frequently subsidy dependent; most programs rely on amateur musicianship with a participatory and outreach function; it generates fresh social and economic networks in geographically defined locations that may stretch beyond such boundaries through community and commercial broadcast media. In this respect community music shares with 'world music' some of the challenges of definition that are disinclined to remain stable for long and which emerged during the 1890s. Musicologist Steven Feld suggested that a range of discourses defined world music and its commodification into the global music industry, including the practices of 'mixing, syncretic hybridisation, blending, fusion, creolisation and collaboration across gulfs' (1994: 266). At least part of this confrontation between otherwise unrelated musical genres has been produced by the ubiquity of the media. Simon Frith suggested that 'no country in the world is unaffected by the way in which twentieth century media have created a universal pop aesthetic' (1989: 2). All popular music operates across these ill-defined international boundaries and my definition of community music recognises the discursive range of concerns incorporated within the comments from Feld and Frith about world music. As I will show later in this chapter, styles of music generally considered 'world music',
such as ethnic and indigenous musics, found a place in the community music sector in the years under review, serving to draw world music definitions into alignment with community music ones (Frith 1993: 21).

More precisely then, community music can include rock and pop music definitions and other musical activities, which is in keeping with the broader, or 'open' cultural studies project. For the purposes of this discussion, community music is considered to be popular music due to its engagement with the primary logic of public practice and performance, where the concern is for 'the style of the perfect amateur', which is 'the desire to make music' (Barthes 1977: 150).

This definition recognises that the established boundaries of musical genres are rupturing, where previously excluded music, liberated from its marginal location, moves into the mainstream. Interactionist theory suggests that this relationship between the local, national and global music making involves the heightened flow of music, as I noted in chapter 4 (Herbert, Ungurat and Bohn, 1988: 8). The multi-layered interactive flow of music involves a global dynamism in which the sources are difficult to trace (Smith, 1990). The interaction can be observed in the Australian popular music environment, where the virulence of community music and the intensity of relationships accompanying the growth of the global music industry has had a profound impact. I will provide an indication of this virulent interaction in this chapter, informed by the music policy formulation theory's application in a number of publicly funded community music projects.

As a broadly conceived field of investigation, community music can be seen to be part of the general context in which popular music policy occurs. Yet a number of issues involving community arts require further examination as Rowse (1985) and Hawkins (1993) have shown and which I will not revisit. I do however, want to suggest that my approach
to community music provides a bridge between the 'dual cultures' of the arts subsidy sector and commercial popular music (Hawkins 1993: 9). In doing this, the typology I have produced maps the developmental stages of a range of projects, indicating the ways in which some projects will remain subsidy dependent, while others will move, over time, into alignment with cultural industries concerns with commodifying music.

Set against this approach, enthusiastic endorsements of community music activity in the global context needs to be evaluated in the light of the 'naive romanticism' of general community arts discourse (Johnson 1988: 10). Similarly, past constructions of 'The idea of community' have been tied 'to a folk conception of music as emerging from the collective experience of working-class people' (Redhead & Street, 1989: 181). In this chapter I will show how limited definitions such as this have been eroding, creating new multi-faceted community musical activity, responsive to the impact of commercial global activity and government sponsored programs.

One theoretical concept that helps explain the community and thereby overcomes the naive view of community music suggests that the nature of community is dynamic and broad reaching, incorporating linkages within communities and across boundaries of discrete locales into other localities, into spaces which are outside easily constructed domains. This definition of community suggests that it is:

a set of shared social meanings which are constantly created and mutated through the actions and interactions of its members and through their interactions with wider society (Kelly, 1984).

This construction avoids the introspective reflexivities which limit theories of community as entities which are self-contained and somewhat static. Instead, the dynamic view sees community being in a permanent state of interaction with other communities, potentially with all communities. Here, the music that is produced is valued due
to its almost mystical attributes, which draw participants together to share music that they have seen and heard in concerts, or more frequently, in the electronic and broadcast media.

Recent popular music research indicates that music is highly valued when it is expressed in a locale. Importantly, this musical expression is part of the dynamic of networked links outlined in the theory of community used above. Simon Frith has suggested, perhaps too narrowly, that if we investigate the role of music within specific communities we find that 'music both creates and articulates the very idea of community' (Frith, 1992: 177). In doing so the music assists in 'mapping social networks' (Frith, 1992: 177). Frith noted that young people place music very highly as a social activity when it is performed in their own community by their peers. Studies of popular music at a local level in the UK suggest that young people 'use music to situate themselves historically, culturally and politically' in the adult world (Frith, 1992: 176-177). More significantly for my concerns is the acknowledgment that although the music is made and exists in the community, local bands have an idea of where their music comes from, and furthermore, participation in music at a local level is seen as a possible step in a fantasy of 'global stardom' (Frith, 1992: 176).

In making these observations, Frith relied on Sarah Cohen's ethnographic study, Rock Culture in Liverpool (1991) as well as Ruth Finnegan's ethnographic study of musical life in Milton Keynes, The Hidden Musicians: Music Making in an English town (1989). Both studies suggested that music is most valued when it is produced by people locally and the music that is most valued is rock and pop. Some of the research undertaken for this study and detailed in the latter part of this chapter confirms the linkages between community creation and consumption of pop and rock as an extension of the global pop and rock music industry. This relationship can also be put in the context of the
expanding, intersecting changes taking place in the media in general. Cooptation of community interests by major media interests establish new models of production and consumption, often in contradictory contexts (Grossberg 1992: 95). For example, the 1990 In Concert recording of the Three Tenors - Carreras, Domingo, Pavarotti and Mehta- sold over 450,000 albums in Australia alone, and more than 100,000 videos of the concert performance (Derry Interview 1992). According to PolyGram, the record company responsible for the recording, this event introduced a major realignment in music tastes. The result was that the classical music market, which had been static at three per cent of the Australian market share, moved to consistently become five percent of the market due to the new audiences for recorded music opened up by The Three Tenors (Derry Interview 1992). At another level it is possible to see corporate dynamism interacting with community interests and global activity. Rupert Murdoch's suggestion that the 130 per cent jump in growth rate of the Fox Television network in the US over five years from 1987, was due to local television station's desire to program Fox's content 'to fit into what their own communities need' (Clark 1992: 31). Corporate responsiveness to community needs can be viewed as a cynical exercise in expanding market domination. Alternatively, it can be seen as a change in the behaviour of corporations due to assertive community demands. It is due to the latter reason that corporate behaviour is a part of the overall set of relationships involved in popular music policy. However, while community music is part of this wide media interaction, it is constructed more modestly.

A national approach

This section maps the community music activity in several sites around Australia, presenting a typology of activity. It is the result of a project originally

2 Hamelink suggested that this process can be observed in assertive policy contexts: 'Cultural self-assertion means that social groups are able to find the techniques, symbols and social patterns necessary to allow them to adapt adequately to their environment' (Hamelink, 1983: 31).
commissioned by the Victorian Community Music Network and the Australia Council. (See Appendix 2 for details). I have incorporated it into this case study due to its relevance to the emergence of industrial forms, which, my research reveals, become articulated to the subsidised projects, in certain cases. In particular, the typology overcomes some of the limitations observed in community arts activity in general, which when considered in terms of 'a cultural industries strategy for economic development', were 'seriously flawed' (Hawkins 1991: 1). The typology of projects, gives an indication of their differences and the range of musical activities that remain either subsidy dependent or develop industry characteristics. When they mature, projects can become self-funding, and independent of subsidy. Rather than being definitive, the typology is a sketch that resulted from rudimentary, often modest policy activity. This usually involved the funding of a professional coordinator, who acted as mediator for local music programs. Coordinators assisted the musical skilling of community music programs by 'perfect amateurs', by linking often disparate activities with public funding and initiating events, such as concerts and training workshops. The professionalisation of the sector was the key feature of how policy was implemented, as the 'Music '81' project and The Push in Victoria suggested: the presence of real musicians and information-rich organisers working in localities was viewed by Victorian arts bureaucrats as an uncertain, yet potentially rich site for different social, artistic and economic development.

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3 The link between the Victorian Government's Employment Initiatives program and the Arts Ministry included 'job creation schemes for artists', which provided 'a solid basis for further development of programs for individual artists working in communities' (Victorian Arts Report 1982-1983: 4). The outcome was that community arts was seen as 'a social movement rather than a particular art form. It has involved finding common ground for collaboration with a range of government and community agencies and has led to a fruitful cooperation in planning, economic and cultural activity' (Victorian Arts Report 1982-1983: 8). By the following year the State government had introduced an Economic Strategy Plan, where the young were seen as requiring arts-related services (Victorian Arts Report 1983-1984: 8).
According to one view of community arts, this approach can 'make valuable and visible forms of creative action which are currently undervalued and hidden (Wiseman 1988:8). Lindsay Pollock, one of the participants interviewed for this review of community music noted the shift involved in moving from the organic local activity to the professional coordinated activity.

Those things that go under community music and people who call themselves community music practitioners and organisations, have got to remember all the community music that is happening anyway. But at this point in time I think that it is incredibly important to develop community music activities, to fuel the fire and create examples of what the possibilities are. The real community music will happen when that is generating spontaneously out of community.

Developing a relationship with professional organisers and musicians, in some instances produced the necessary developmental tools for the projects. Consequently, they moved beyond the confines of their geography, to enter into the processes of the industry, recording and making cassette tapes for sale, and in the case of the Italian Women's Choir, The Joys of the Women, being the subject of a television documentary. However, such developments vary from site to site, as I will now indicate.

The spontaneity which Lindsay Pollock referred to is present in some community music programs which I have called the idealised-authentic model, which finds its strongest expression in the migrant communities. It is in this community, defined by new experiences in a new country that music is used to reinforce, stimulate and reflect life experiences. Elsewhere, the community music formations are quite different.

My research found that community music can and does generate strong support from communities of interest that gather around shared musical, geographical and industrial
needs. The strongest, most effective programs are those with more than three years continuous funding based in a recognisable, known centre, preferably a building identified as a community music centre. These programs have the most resonance in the general community and the highest prospects of generating on-going self-funding community music activities, removing themselves from arts subsidy dependency. This is not to say that the objective of policy should be the cessation of funding for such programs. 'Start up' funding which is targeted to organisations defined by middle class affluence and pre-existing access to musical opportunities (including instruments), have a strong chance of independence due to the resources members may be able to draw on and an assumed facility for establishing contact with the existing music industry. Once these programs are established, they have the capacity to generate relatively substantial turn-overs each year. For example, the orchestral program run by Performance Tasmania Incorporated generates $100,000 a year. Such programs are the exception within community music.

Community music centres work best when they are staffed by well informed personnel who understand the geographical community in which they work and who coordinate the networks that bring people together to share resources. The Victorian Dandenong Ranges Music Council is the best example of this approach. Its most appealing attribute and the key to its effectiveness is its bold liberalism. By tolerating and encouraging any form of musical expression, indeed, any activity associated with music - including video workshops and road crewing of equipment - its inclusive approach is exemplary and encourages those programs which can move into industrial activity to do so.

Alternatively, a specific project thematically organised - The Joys of the Women, for Italian women - survived and became self-funding through sales of (cassette)
recordings and public performances. Its focus and close administrative association with the recreation office of the Fremantle City Council was significant. Management of a project by local government bureaucrats, leaving the music making to the enthusiasts appears to have worked in this case. Similarly, in Performance Tasmania Incorporated, Shirley McCarron manages the program while her husband is musical director. With Bondi Pavilion programs, Waverley Council oversees administration and funding proposals. Adelaide Community Music has an advocacy and managerial approach to assist groups seeking facilities. This is a different model, but it appears to be effective in promoting community music activities in South Australia. Alternatively, Alice Springs Trades and Labour Solidarity Choir relied on members to organise the choir and arrange funding applications. Some frustrations were expressed about the pressure this created for those who took on such a responsibility. The benefits of a publicly-funded musical director brought in from 'outside' to assist the choir, is indicative of the practical benefits the professional approach may bring to community music. Possible disintegration of the initial reason for the group's formation by the introduction of professionals was not mentioned during interviews, as a disadvantage. Enthusiasm for subsidy support from a government body was welcomed in every case. Conversely, considerable ground needs to be made up to assist programs and professional organisers recognise the opportunities industrial activity may provide for new opportunities for funds and access to financial and material resources.

Some projects are very ambitious and have the bold objective of developing musicians and their work for popular consumption within the mass market. This potentially controversial role for community music is not antipathetic to the less ambitious purposes some programs may have within the community. However, the industrial vector along which some community music consciously moves
and is directed, is expected progression for the projects. This was especially the case with the link between young people, the media and rock and pop music, as evidenced by the Western Australian Music Industry Association (WAMIA) and Youth Wave, one of the specialist programs offered at the Bondi Pavilion. It confirmed what bureaucrats had found in Victoria, with The Push, that youth and rock music are intensely articulated.

Analysis
The sample of 12 interviews conducted reflected the range of projects, interests and issues appearing under the community music umbrella. However, one detail needs to be reiterated. The term community music is becoming less accurate with time. An orthodox model of community music would assume limitations of involvement within a defined geographical area, matched with a particular style or genre of music, usually folk-acoustic. This study revealed that the dimensions of the activity known as community music exceed the orthodox model, as it incorporates rock music performance and associated skills, which was noted in the example of The Push clubs. In many cases, the orthodox model still applies, but it has been extended and added to by the impact and the increasing presence of all sorts of music in the media - radio and television, as well as the availability of recordings.

Public funding has served to enrich this circulation of music. The result is new networks and relationships formed at the musical coalface that extend outside musical boundaries, as 'communities of musical interest'. They begin as modest social benefits. In Alice Springs for example, the Trades and Labour Solidarity Choir 'creates a music network. It creates, through the culture of music a communication that would not necessarily go on between people', Madge Fletcher, one of the founders of the group said. 'It perpetuates some sort of interest in music culture, just because it is there, its very being'. 
Electronic media has a place in extending this social interaction, offering a range of resources, from simple recording ones to digital technologies. Sarah Moynihan from Feral Arts, who works in Logan City in Brisbane's depressed outer southern suburbs explained music's appeal.

We had moved away from theatre because it was too threatening and wasn't culturally relevant to the community at that particular time. We had worked in writing with a writer and had worked with other musicians as well and music was something that was relevant to those young people and was really easy for those young people to express, or to create within that. It was really difficult for them to create just with writing because literacy is a really big problem and so music was something that came as being really relevant and really accessible for the people because they were always listening to the radio.

A comment by Peter Winkler of the Youth Wave Program at Bondi Beach encapsulates the interactive nature of music making in its relationship to the media, a locality or community, a genre and a potential user-audience. Yet in this set of relations, the primary focus is on music making, rather than any ancillary concerns with how it may move beyond the orthodox model's constraints.

Most people are set in the mould of being consumers of music and deferring to the fact that really only wonderfully skilled professional musicians make music. And I think that has probably been a trend in the later half of this century.

A lot of people in their heart of hearts do not believe that's the case; are able to reflect on a time when lots more people played lots more music before mass media type music was pumped out. The idea that people get together and make music together, not necessarily, although not excluding doing it for a living or commercially, but just
for the expression and community involvement and joy of it, is still really strongly there. You can see it in every garage band around. It is obvious that 99 per cent of those garage bands are never going to make a buck out of it but they have got a dream and that is fine. But what they are doing is, they are just playing. They have got a passion to want to do that.

More cautious approaches to interaction exist. Approaching the relationship between the key personnel and the community as an organic expression of need, Chris Anderson, a Brisbane-based Aboriginal musician and writer, who worked on the Feral Arts project and with the Djurabalak Aboriginal projects in Central Queensland, suggested that it is important,

to go into a community with the express purpose, of as far as you possibly can, to find out what that community wants and to pass that information and individuals around from individual to the community itself to the external world.

Anderson's preferred approach seeks to 'allow people to have access to technology and information that they otherwise wouldn't have access to'. The mix of technology and information is a powerful one, suggesting that it is in recognising the need to negotiate between these two attributes, that organisers can bring considerable long term benefits to community music.

Creators and the variety of genres they seek to use are not restricted to the orthodox image of choirs, folk groups and orchestras. As I have noted previously, youth has benefited from community music programs, although the policy focus itself has been reluctant to include youth and rock genres. Eric Erickson of WAMIA noted the difficulty.

Most arts policy is generally keeping pace. Youth arts policy is lagging behind. But I feel we still have a problem where the contemporary music sector clashes at times with a general arts or mainstream arts. We feel
that we are mainstream art. Our art is popular, it is involved in the homes of most people, being popular contemporary music. It is also one of the least subsidised.

The considerations that come into that are if it is so popular it should be able to support itself, yet as I say, with young people, their access is so restricted that it is not supporting itself. Passive access to art is one thing, but we feel that an active involvement both increases the appreciation of the art form itself, and as well, people should be able to actively access art at all times. If they have the notion to create music it should not be a lack of funds that stops them doing it.

Community music typology

A range of community music formations can be identified that reflect social experiences stretching from programs committed to access to popular music performance, to associations with the global recorded music industry. The purpose in detailing these formations is to map the extraordinary variety of activities and needs that are provided by subsidised community music programs. Moreover, the typology suggests that a substantial range of social and cultural needs can be met by community music programs, and that over time, such programs become articulated to the existing popular music industry.

I have produced a typology of seven formations. (See Figure 2). Some of the projects appear in more than one category because they contain several elements of different formations. This characteristic makes community music extremely dynamic. For example, community radio station 3CR's community music activity operates at the intersection of different formations. It offers a pluralistic formation, with its access to broadcast radio. It incorporates a low level industrial formation with broadcasting, cassette recording and publicity. It meets the consensus criteria, offering a public benefit
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Based on Community Work or Social Change, R. Thorpe and J. Petticrew, 1985, p. 16.
by access to new information, communicated in music. It is oppositional, providing a mechanism for political songs as well as high local and Australian music content.

**Utilitarian**

Utilitarian is the minimalist system of operation, where a musician enters a community and provides a little participation or engagement with community development. (The exogenous, or external coordinator tends to act primarily out of self interest, whether that is benefiting by employment on the project or the mining of musical ideas from the community). Chris Anderson drew the distinction between 'imposed outcomes', those 'external to the actual community', and the programs that work when they are 'operating within the community'.

Utilitarian projects do not reflect the social and cultural needs of the community being served. Such projects are generally non-organic, with no roots within a defined needs base. Keith Preston, coordinator of Adelaide Community Music suggested that the organic characteristics of 'community music represents the culture and interests of the community. (It) is music that reflects, represents, promotes and involves a community'. A non-organic relationship may include those situations where the musician-organiser may consider the project a means of career advancement, in some cases exploiting the community for ideas and strategies which are taken away from the community. This is the negative version of community music, where little remains of the program once the professional leaves the project.

None of the projects manifest exclusively the negative aspects of the Utilitarian formation, which may be a historical relic of community music's not-far distant past. Alternatively, there are positive expressions of the Utilitarian formation. In these cases, the musician will be involved in an objective two way exchange of information and ideas with participants, thereby
empowering the participants without being an organic participant.

**Industrial**

The Industrial formation is the point around which this thesis turns. It is the most recent development in community music, reflecting the intensity of the relationship between localised music making in the communities of interest, which are relatively unconstrained by geographical boundaries. Almost inevitably, low level industrial activity leads to media exposure and possible commercial exploitation. Fiona Studdert at 3CR referred to community radio as 'the testing ground' for other radio and recording media. This move towards the commercial or mainstream media is enhanced by the enormous appetite of the recording music industry and audiences for new sounds and ideas, many of which develop at a local level.

Eric Erickson provided an example from a WAMIA song writing workshop, that indicates how industry concerns and ideas slide across and into other community music types. For example, song writing may be directed primarily at reproducing preexisting styles of music that are known through media exposure, then introducing the results to the media. Professional assistance promotes the association, the incorporation of community activity into industry.

If we are working on song writing or performance, if they are accompanied by professional musicians, generally the results sounds at least to them like what they are hearing on the radio and television and yet they are involved in it and they are part of it. So left totally to their own devices, occasionally they can be disappointed with the results compared to what they are used to. So primarily, we have professional musicians as facilitators and this also gives the chance for these young people to talk to these people about their industry and their craft and all the joys and problems that go along with it. So it works
in a number of ways and generally we find the industry and professional artists are only too keen to be involved.

A contrary view sees the 'industrial logic' argument as a misrepresentation of lived experience. This scepticism about industry, was articulated by Chris Anderson.

There are some people who, when they talk about community arts or community music, they talk about producing cannon fodder in a musical sense. Like cannon fodder to the music industry, like get people skilled up, organised into bands so they can become part of the machine of the music industry. Industry is a great term because that is what it is. You become a cog in a machine. Someone else is winning that battle. All the producers and the record companies and all that sort of stuff, which means that people again become powerless. They focus on becoming owned and turned into a commodity and all of that sort of thing. Which is not my interest at all, I am not at all interested in producing, in skilling people up so that someone else can exploit them. Like my interest is entirely the process of people and individuals liberating themselves and moving into a position where they not only feel better but actually are, about themselves and about their community.

Linsey Polack's view is that an alliance between music industry and community music is unlikely.

Community music and the music industry? I think at this point in time fairly mutually exclusive, because I think the music industry does not really have much to gain from people creating their own music because then people tend to buy less. Community music certainly is not the concern of the music industry and I don't think that it ever will be. I think these are sort of things that will go side by side.

However, Linsey did see immediate prospects for bringing the community and industrial sectors closer together. He noted that musicians from the industry could be involved in community based music, but don't necessarily know how
to do that or don't even know of that possibility, but could be incredibly useful resources in that way. At the moment they are busy creating a product that the community is buying'. This is a developmental issue that could be taken up as a major theme for the future of the community music sector. What is the relationship between music industry musicians and community music? An investigation along such lines could help to extend community music activity. Peter Winkler uses one or two professional rock music musicians in his Youth Wave Bondi Pavilion program and discovered that a healthy, mutually beneficial relationship developed between the musicians and the workshop participants.

Such needs-focussed programs could provide opportunities for the existing popular music industry to refine its expertise, while producing new ideas and new music. The low cost of programs which mature to engage the existing popular music industry could return funds to the community and be self funding.

Oppositional

The oppositional formation involves the use of community music as a means of expression within a specific subculture, usually with explicit political intentions, directed against a social reality. Unemployed youth making songs about their anger at the absence of jobs is an example, as is a trade union choir singing songs of political solidarity or protest. Madge Fletcher, described the 'orientations' of the Alice Springs Trade and Labour Council Solidarity Choir as being 'towards doing on-the-spot community based stuff that has a message'. Drawing its members from a variety of 'issues based organisations' in the town, the choir is defined in an oppositional sense by 'The places that we perform and the content of what we perform', which includes singing at picket lines, in protest rallies and meetings as an explicit 'expression of political ideology'.
Alternatively, community radio station 3CR maintains a 55 per cent Australian music content policy, which 'discriminates towards non-mainstream music, particularly music composed and performed by women, indigenous cultures, non-English speaking background-type cultures', Fiona Studdert said. Such an approach to local content advances the community interests of minorities, in opposition to the mainstream, adding, in turn to the pluralist potential of the social spaces in which it operates. As Studdert noted later in the interview, 3CR provides an opportunity for people 'to listen in a non-threatening way to a whole range of music and pick up a whole lot of cultural and political ideas from that music...in terms of decolonisation, that is going to be a good and significant development that has occurred'.

Aboriginal music programs, such as Djurabalak are difficult to categorise, in that they may be oppositional but their opposition also expresses a strong welfare component. Indeed, the oppositional elements of making music to enhance their cultural identity is an important form of welfare within Aboriginal social life. Bill McPherson's comment explains the isolation the Aboriginal community experiences, and indicates a sense of opposition to European Australia: 'Well, in the Aboriginal community it always seems that we are our own community, that there is no one to help us'. This comment suggests another form of opposition which show that Aboriginal music may also be a vehicle for isolating a community and in doing so, defend it from damaging outside influences. Community music for the Aboriginal community may consolidate the cultural identity of Aboriginal people, who want to make music in and for their community. Their first concern is for a system of management that enables them to meet their needs.

**Pluralist**

Pluralist formations incorporate aspects of tolerance, openness and access as priorities. The opportunities created for otherwise silent/songless groups, extend
society's dimensions. For example, the purpose of Adelaide Community Music is to:

link things in, generate work and promote and help develop the diversity of music that is happening here in Adelaide, specifically those areas of music that have links with the community and organisations and communities of interest, whether that's women performing, trade union choirs.

Kavisha Mazella saw her work as being a facilitator of the Italian women's musical experience as well as a historian. 'I feel I am accessing here into cultural memories, or the heritage memories of these people', she said. Her role also involved explicitly broadening the musical experiences of the women and the audiences to which they performed. By doing this the project created new musical and cultural avenues for herself and audiences, thereby generating a pluralistic outcome.

I see the community becoming increasingly a-musical and non-musical. That is why I feel so passionate about doing such a project as this. Because I feel like we are loosing our musical and our natural abilities to make music and music is being left up to the specialists. I am a professional musician and that is what I do for a living. But I do not see why it should only be people who are professionals who choose this path. They shouldn't have all the joy of making music.

The critique of professionals and their music making being brought into the domain of the community is an important element of the community music rationale, which assumes that democratic access to all styles and standards of music making should be available to all those members of society who seek such avenues of expression. For this reason the pluralist formation is the central formation of Australian community music. As such, it can be seen to best reflect the official Australian policy approach to community cultural practice, noted in the objectives of the Australia Council's Community Cultural Development Board: to assist communities to obtain the resources they need to

Normative

In the Normative formation the activity occurs within a highly definable community of interest, for example, the ethnic migrant community. In this context, the activities represent the expected everyday expression of the values of that community. Kavisha Mazella referred to the 'real folk music' and 'authentic' music, as an expression of the lived experiences of the Italian migrant women in The Joys of the Women choir. Linsey Pollok recalled his experiences of music making with a migrant Macedonian community in Sydney. In this case, as the result of playing instruments that are typically heard in Macedonian villages - bagpipes and drum - a suburban park became the focal point for weekly community music rituals for that migrant community. It was 'something generated ... out of the community', 'something that did just happen', he said. Such musical events seem to occur within the migrant community, and are generally identified by professionals as models of authentic community music. In this scenario the migrant community's relationship to music is idealised.

It is possible to see the linkage between the migrant community and community music as the expression of an idealised-authentic model. In reality, this may be the goal of community music programs: that is, that music is part of the organic expression of life within the community. Certainly music in the migrant community is highly esteemed, even valorised. According to Linsey Pollak, music 'is an integral part of their lives, in the Latin American, European and Asian migrants communities. That to me is hopefully where community music will end up'.

The whole area of multi-cultural music is where we have got most to learn in the area of community music because in a lot of those ethnic communities the music is still very much alive and part of community life. So there is an
actual living example here that is quite often ignored and very marginalised.

This interpretation of ethnic community formations could be viewed as naive romanticism. However, Hernan Flores made it clear that community music in the ethnic and migrant communities has a distinct purpose within the social and cultural life of the communities. This extends as far as playing music, often at the musicians expense. A Latin American event for example, will see Latin American musicians travelling long distances across cities in Australia to facilitate the 'musical expression', which is 'a need from within the community', Hernan said. Commercial rewards 'represent a denigration of cultural expression', thereby, heightening the value of music as an organic component within the life of the community.

It is cultural and the expression of that here in Australia is just expressing part of a culture which has thousands of years of development and that has always had this part of their own lives attached to music or arts in general. And music plays a very important role.

Community music is the artistic musical expression of the community in general, coming out of a need of this community to express themselves. In other words, it is music which is many times produced by a group of people and not just individuals, usually held by an individual musician, but not necessarily. And that is something that is shared between a large amount of people. You share in the production of it, as well as the enjoyment of it. A lot of the music that is played for example, most of these groups when they get together even friends get together, they carry instruments with them. For any particular occasion, they will all get together and play the guitar and everybody sings the songs that most of the people know and just make as part of living, a part of being alive, a part of a cultural group, a part of being of the society.
An outcome of the idealised-authentic model could involve the development of community music programs that were organic to the extent that there would be no further need to fund them. Linsey Pollok suggested this as the expression of the organic nature of community music, where the communities value it to such an extent that they are willing to pay for the music to be part of their lives. This has already occurred with the self-funding of The Joys of the Women and parts of the Youth Wave project, through sales of cassettes. In this transition, the idealised-authentic or normative formation shifts to participate in the industrial formation.

Chris Anderson confirmed this interpretation with an historical observation about the development of music.

I mean without sounding too strident or something, like on a world scale if you look at the impetus behind especially commercial music and every form of music that is mainstream, its basis is in what you could possibly term community music. Like a lot of current western music that is based on African, black music basically, how appropriation of that begins and so forth. A lot of impetus in modern music now also comes from a lot of the stuff that actually pushes it out continually to get it a newer edge. People going into other cultures and finding stuff and places like third world countries like Africa and the Middle East, Latin America and the same in Australia. There is a lot of impetus, a lot of the credibility that people get in terms of the mainstream, comes from the stuff that comes out of community music.

The search for authentic musical experience and expression is closely aligned with community music in the migrant context.

Consensus

Consensus formations are those programs targeted at particular groups, with social betterment as a generally intended outcome. Direct participation is encouraged. It
is often populist and not explicitly political, focusing on the joy of making and valuing music. Frequently it encompasses the pluralist formation, where a breadth of musical activity is the valued outcome. This similarity between the formations was expressed by Shirley McCarron, whose Performance Tasmania Incorporated, has a youth focus, built on orchestral genres and performance excellence.

But it is now at the point where we play everything from the latest pops, the big stage shows, jazz through to light classics and now our young people are doing some of the classical repertoire, but always a mix to keep their interest and to let them explore those particular genres and get a feel for what music is all about.

The consensus formation can be seen to incorporate community development objectives. These are programs that benefit society in general. They may be called the everyday projects - the ones that meet the basic musical and cultural needs of society, or subgroupings, such as young people.

WAMIA's emphasis on rock and pop music provides another perspective of the consensus view, as put by Eric Erickson:

I am not sure why people are a bit blinkered to understand that this is the sort of music that kids like. This is the sort of music that they want to be involved in. Trying to force something else upon them, is just that, it is force. Offer them the opportunities. Have them available. But don't channel their enthusiasm by not offering them other opportunities.

In order to meet the needs of a community in a consensual sense, a number of facilities and services need to be available. The best general example comes from Dandenong Ranges Music Council, an umbrella organisation with 35 community music groups as members, with a base in a two storey community music centre.
The perspective from Bev McAlister, the council's secretary is instructive and can be contrasted with an earlier view. Community music centres were examined in the Report on the National Coordination Research Consultancy on Community Music ('Beed Report', 1985), where they were most highly valued when they were part of the 'collegiate environment' of the general community arts centre (1985: 4.14). Bev McAlister emphasised the importance of the 'infrastructure' the community music centre provides, which enables 'people to be very creative, they can be very flexible, they can be innovative, but there is always that solid structure beneath them that they can fall back on'. Within this context, it is possible to 'create opportunities for people to listen to music, to learn music, to perform music, to create new music and to have access to enrichment and partnerships'.

Community Music Centres serve an important function within the consensual perspective, if their policy is explicitly liberal, focused on 'creating opportunities for people of all ages', as Bev McAlister put it. Alternatively, projects where coordinators have been operating individually in recognised centres for extensive periods of time, are the most effective. This includes the Bondi Pavilion programs offered by Peter Winkler (nine years), and Adelaide Community Music (five years), The Joys of the Women (three years). At least two of these projects, Bondi and The Joys of the Women have elements of self funding and recording programs in place. Adelaide is developing such an infrastructure, by building a relationship with the Womadelaide world music festival.

Welfare

The Welfare formation includes the welfare community. These are programs that serve to assist, rebuild and redirect the musical opportunities of an isolated,
alienated or disadvantaged social group. This may be unemployed youth or various disadvantaged groups. The Feral Arts program attempts to directly address problems within the welfare community, as Sarah Moynihan indicated: 'It's a welfare culture and we are artists who work within a welfare culture'. She explained the links to welfare agencies which some community music programs require.

We work as artists with young people in that community who are socially and culturally disadvantaged because of the isolation...Feral Arts focuses on issues that are relevant to young peoples' lives in Logan City, like health in relation to poverty, social justice, urban development and those kind of issues. Work will happen around an issue that is relevant to that group of lives.

Feral Arts emphasise its 'social work' approach by applying a mixed funding approach to its project. The organisation uses Australia Council funding together with small amounts from Queensland State Government departments which are welfare-oriented and support Feral Arts projects.

**Conclusion**

Research results presented in this section have provided an overview of the key Commonwealth Government policy inquiries and reports, contrasting them with the remarkable range of popular music activity taking place in the community music context. Some of the community music activities were taking place in Victoria before Labor came to government and underwent a change of orientation with the election of Labor. Unrelated Arts Ministry projects, such as The Push, used community clubs and an assessment of youth needs to provide popular music activities in the community. The Push did not intersect with other community music initiatives, thereby missing an opportunity to become part of a considerable range of micro activities. Alternatively, a review of subsidised projects suggests that the community music sector describes some of the processual shifts outlined in the
popular music formulation theory. Certainly, public funding of community music played a role in extending popular music into new areas. Approaches to public support with a market orientation could intersect with industry activity to allow projects to sustain themselves. This is not to say that public funding should cease. Further studies of community music could provide more detail about the projects and transformations occurring within that sector, as a microcosm, perhaps even a laboratory for popular music policy initiatives. My research suggests that continued and increased public funding to the community music sector will assist its development, encouraging in amateurs the desire to make music and in due time establish relationships with the industry that may free some projects of subsidy dependency. In contrast, inquiries and reports in 1985-1988 would have done well to refer to community music projects and build on them, finding the linkages in the organic communities of interest where industrial formations could have been adapted to cultural industries activities.
Section 5: Popular music policy initiatives

Chapter 12

Popular music policy outcomes and initiatives
An enormous range of opinions were expressed and interests represented during the inquiries and reviews undertaken between 1985 to 1988. While community music programs were established and matured, as indicated in the previous chapter, their micro concerns were not incorporated into other, more public popular music initiatives. However, the rhetoric outlined earlier produced results, with commitments from Labor governments to establish institutions aimed at supporting popular music. Despite uncertainty about the long term future of the projects that were proposed, the two major initiatives - the federally funded Contemporary Music Development Company Ltd more commonly referred to as Ausmusic, and the Victorian Rock Foundation funded by the State Government of Victoria - came to fruition amidst great optimism. Their creation can be contrasted with the micro activity of community music outlined in the previous chapter.

In this chapter I consider three key popular music initiatives - two by the Commonwealth (1) the blank tape levy; (2) Ausmusic; and the state-based initiative, the Victorian Rock Foundation (VRF). They provide key examples of policy action. In pursuing this examination of the policy initiatives, I will seek to highlight how, if at all, the interests of the policy makers moved into alignment with social (especially youth) policy concerns and industry policy. In the following chapter I will consider the Prices Surveillance Authority's Inquiry Into the Prices of Sound Recordings, the final inquiry and some of the initiatives arising from it, which challenge and inform these policy actions which were undertaken prior to the PSA inquiry.
The blank tape levy debacle

Agreement by the Federal Labor Cabinet to use a blank tape levy to fund a contemporary music institution proved to be a Pyrrhic victory. It appeared on the surface to resolve many of the issues confronting popular music policy initiatives at the time, promising three major changes to the status quo:

- it broke the subsidy dependency model;
- it established a new stream of funding;
- it brought industry into alignment with government policy action.

The levy proposal made it possible to imagine the creation of new institutions within the cultural industries ambit. Such institutions, like Ausmusic, would not have to rely on government, or statutory authorities, such as the Australia Council, for funds. Furthermore, they would not be required to spend endless hours in discussions seeking 'sponsorship' from industry participants. The legislation introducing the levy was the first of its kind in the English speaking world, although there were other levy programs in European countries (Watts 1989: 1; Frith 1993:2-4). Equally notable was the way in which the levy had been part of a music industry plan in a number of countries around the world to manage the loss of revenue due to the reduction of sales through domestic recording of music. This point became a feature of debates about the value of the levy, which was portrayed in the US case, as an opportunity to 'boost industry profits' (Holland, November 11 1989: 1, 103). This point was not debated in Australia. Nor indeed did the blank tape levy in general receive a mention in the major popular music policy text, Rock and Popular Music: politics, policies, institutions, released in 1993, such was the under researched and unknown quality of its emergence (Bennett, Frith et al).

Yet the relationship between the Government's action in assisting the record industry increase its profits with the levy can be viewed as part of the challenge confronting reformist Governments and their engagement
with industry policy. Consequently the ALP's commitment to support the levy, can be seen to be counter-balanced by its action in redirecting those profits into funding social provisioning activities, such as Ausmusic. However, this was not the focus of the initiative, which became embroiled in an unrelated, yet highly instructive debate about industry behaviour.

The levy was presented as part of a range of copyright law reforms, with the ancillary benefit of financing the formation of Ausmusic. When the legislation went to Parliament on 3 November 1988, it was as part of a package of initiatives that incorporated the social democracy-mixed economy methodology: recognition of the role of government to manage economic activity, provide legal mechanisms for equitable redistribution of wealth and generate publicly beneficial, self funded institutions in the market context. Attorney General Lionel Bowen's rhetoric was well tempered, unlikely to upset any established interests, yet couched in progressive language:

> The Government's aim is to provide fair, certain and effective copyright law which will properly reward innovators and reflect modern consumer practice, while taking account of the legitimate practical considerations that affect particular groups such as educational institutions and institutions working for the handicapped (Representatives Hansard, 3 November 1988: 2393)

Putting the levy in place had been on the Australian recording industry's agenda for several years prior to the McLeay Report's support followed by the endorsement of Federal Cabinet. Legal overviews of the discussions noted that 'Considerable lobbying has been taking place since at least 1981 for the introduction of appropriate legislation to prevent or compensate the copyright owners of sound recordings for the infringement of their rights by the unauthorised reproduction of their sound recordings' (Ianella 1994: 1). Constructing the levy in purely legal
terms associated with the Copyright Act 1968 became part of the problem for the initiative. It was presented to Parliament by the Attorney General, as the Copyright Amendment Bill 1988 with eight key objectives. Support for Ausmusic was not mentioned in those objectives. It was largely a subsidiary activity. In this respect it was a passive rider on the flanks of the legislation. More instructive still, it is not mentioned in official explanatory notes from the Commonwealth Attorney General's Department, nor in academic and legal articles discussing the details of the legislation. In this respect, it was a political idea, which while worthy, did not receive equal prominence in the legislative program, as a priority. It did however, feature a lonely mention in Minister Bowen's speech:

One very important feature of the scheme is that 15 per cent of the royalty raised will be set aside by copyright owners for the benefit of those people in the Australian music industry most in need of assistance. The Government is gratified that the music industry has agreed to provide part of the royalty to the Australian Contemporary Music Development Co., recently established by the Government to foster Australian contemporary music and, most importantly, young and up-and-coming Australian musicians (Representatives Hansard, 23 November 1988: 2394).

Ausmusic itself did not receive a mention, rather it was identified by its full title, suggesting that to flag to the opponents of the Ausmusic initiative that it would be funded by the levy, may have created difficulties for the Government. The result could well have resulted in the levy not been fully endorsed. Alternatively, not to

1. The amendments will: legitimise home audio taping by introducing a royalty on blank recording tape to recompense copyright owners; protect performers from unauthorised recording or broadcasting of their live performances; enable educational institutions to copy television programs off-air; streamline the existing licences to educational institutions to photocopy, and institutions assisting the handicapped to make 'talking books' and other useful materials; remove protection for most industrial articles from the Copyright Act provisions on artistic works; streamline the statutory licence for record manufacture; and make other miscellaneous amendments. As a companion measure, said the Attorney General, I am also introducing the Circuit Layouts Bill 1988 to provide sui generis copyright-style protection for plans for computer chips (Hansard, House of Representatives, 3 November 1988: 2393)
mention Ausmusic by name may have avoided associating Pete Steedman with the initiative. This could have mobilised his opponents in the party, the bureaucracy and those in the industry he had overlooked in establishing the Austrade Export Panel, to act against him, thereby threatening his initiative. Of course, Minister Bowen may have failed to recall the name of the organisation, although his speech writer would have had access to and advice from Steedman. Despite these indications of uncertainty in linking the levy to funding Ausmusic, bold longer term plans for growing Ausmusic's funding base were also included in the proposed legislation.

Moreover, the 15 per cent will be increased in the event that other substantial music exporting countries introduce similar reciprocal blank tape royalty schemes under which Australian copyright owners could benefit, thereby offsetting some of the potential outflow of funds from Australia (Representatives Hansard, 23 November 1988: 2394).

Forward planning of this nature indicated an appreciation of the increasingly globalised direction in which the international music industry was heading. It also provided a means to expand the funding base of Ausmusic, as it established itself, which had been noted in Minister Dawkins press release of 27 June 1988, 'A boost for the Australian contemporary music industry', announcing the formation of Ausmusic. By any measure normally associated with the arts subsidy sector, this proposal was creative, almost mechanistic in its simplicity and capable of growing into the future.

Yet while this high level activity proposing a funding solution to a new policy initiative was agreed in the House of Representatives, Ausmusic did not appear in the second reading speech in the Senate. In fact, the amendments were assumed to have such wide, bi-partisan support that Labor Senator Reynolds, in putting the legislation to the Senate read only part of the document, then, out of sensitivity for the time a full reading would
take, attempted to table the full document, as read in the
House of Representatives by Minister Bowen. Conservative
Senator Puplick objected, suggesting that if the speech
was not read in full, the 'profound arguments advanced by
the Attorney General in support of this piece of
legislation' would not appear on the public record (Senate
Hansard, 28 November 1988: 3005). Senator Reynolds then
read selections of the legislation which she said were of
personal interest to her and 'I think would be of interest
to the Senate, which comes under the heading of 'Statutory
Licence: Photocopying by Educational Institutions' (Senate
back, noting that not to include a re-reading of Minister
Bowen's speech was 'a most unfortunate omission from the
Hansard, especially for people who have a genuine interest
in the matter' (Senate Hansard, 28 November 1988: 3008).
The full text of Minister Bowen's speech was included into
Hansard.

In retrospect, this animated interchange could be
interpreted as the opening exchange in the battle between
industry interests, represented by conservative political
parties and the social objectives of the ALP. For their
part, ALP politicians appeared to misunderstand the
legislative value of copyright law to corporate interests
and their traditionally conservative political allies. In
effect, the full extent of Labor Party ignorance of
corporate interests in copyright law only became evident
in 1990, when the Prices Surveillance Authority's Inquiry
Into the Prices of Sound Recordings detailed the influence
of the law over the industry. I will consider that inquiry
in the concluding chapter, where I will also point out
that the links between Ausmusic and the established music
industry were such, that by 1990 Ausmusic supported the
industry's case in copyright law, against the Government's
statutory authority, the PSA. The split between Labor
Party reforms and industry participants was profound.
Further evidence of this sort of contradictory position can be seen in 3 November 1988 speech to the House of Representatives by Attorney General Bowen. In it he made an implicit assertion - that copyright law is a key activity for government. Legislation provides the guidelines and regulations for behaviour and industry relies on government to provide such frameworks. So in effect, on one hand Minister Bowen made it clear that the Government had a mandate to organise and coordinate the legal processes of copyright law. Having established this position, he then sought to move the government away from its responsibilities. He distanced the government from assisting the industry to arrive at statutory licence rates for the manufacture of musical works - one of the changes included in the package of proposals, along with the levy (Representatives Hansard: 2398-2399). The Attorney General said:

The Government considers that the preliminary requirement for the Attorney-General to determine the current royalty rate to be inequitable is an undesirable and inappropriate role for government. It is also an inappropriate role for the Governor-General to have to consider a tribunal report and make regulations, where appropriate, to vary the rate. ...Such a scheme (as the Statutory Licence for Record Manufacture) will have industry support and will remove unnecessary government involvement in the industry (Representatives Hansard, 3 November 1988: 2398-2399).

With that statement the matter was dealt with, opening the door for a flood of new administrative procedures involving copyright, in which the government could not participate. For the copyright agencies already operating in the music industry, there was a different perspective. This included fundamental recognition of the need for government to work with copyright agencies to 'represent the interests of their members and potential members, in promoting debate on law reform issues and making representation to Government and related authorities' (Simpson 1995: 229). While the government was seeking to move away from involvement with the details of copyright
administration, the copyright industry assumed the essential participation of government.

In many respects the contradictory position adopted by the government was understandable given the Commonwealth's commitment to globalise and assist industry grow, without the constraints of government bureaucracy. Conversely, from a policy perspective, Attorney General Bowen's comments sent the signal to the existing copyright industry that it was free of the strictures of policy participation and negotiation with government and could expect to act alone, with the government providing the legal apparatus for them. It was not a position that was in keeping with the role of a social democratic government in the policy process, where the relationship between industry interests and social interests (or 'equity' as noted in Bowen's speech, above) needed to be managed in relation to each other in the policy process. Nor, as I noted above, was it a position that the existing copyright interests preferred.

When industry speaks

After the legislation was introduced other issues arose which suggested that the proposal was poorly conceived from the start. Writing in Copyright Reporter, James Lahore, one of the world's foremost copyright academics based in Australia, identified two key issues of concern, one of which halted this bold levy plan.

The first issue Lahore identified was derived from his knowledge of international copyright law. Lahore's interpretation of the Copyright Act (1968) was put in the context of Australia's international copyright obligations, which was open to interpretation in regard to reciprocal payments of levy's collected in Australia.

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2 The structure and management of the Copyright Act, the relationship between government and copyright royalty collection agencies, such as APRA, AMCOS, PPCA, CAL and AVCS, and the distribution of the funds they collect, is considered an 'industry' by those within it, as a shorthand way of describing the complicated network of relationships involved in copyright.
A particular concern in relation to the proposed Australian scheme is that royalties will only be paid, on the principle of reciprocity, to nationals of countries which remit royalties to Australians (Lahore 1989: 17).

The argument was that signature countries which shared agreements to the Berne and Rome Conventions, the Phonogram Convention and the Universal Copyright Convention, could be expected to pay a fee for monies on Australian recordings made in their countries and Australia would pay a fee for monies collected here for recordings made of artists from those countries. The legal issues may have been esoteric, perhaps even unintelligible to lay-persons, unskilled in the details of international copyright law. Yet it followed, according to Lahore, that the exact manner in which the reciprocal rights were detailed, relied on the definition of levy collection. Was it a tax, a levy or a royalty? It was on this definition and the questions arising from it that the Australian blank tape levy foundered and it was this second point which Lahore saw as the key unresolved issue in the proposal. He noted the ambiguity in interpreting the proposed legislation:

It may be that the Australian proposal is in fact concerned with a levy or tax. However, the proposals as they presently stand are, on my reading, clearly based upon the concept of remuneration to copyright owners by way of a royalty (1989: 17).

Once questions were raised about the precision with which the new legislation was to be interpreted, the door was opened for opponents of the levy to challenge it. In keeping with challenges elsewhere around the globe - in an almost colonial response to events in the US and Europe - the tape manufacturers issued their challenge to the levy, as they had done in other centres. To them, there was no ambiguity - it was a tax. The blank tape levy legislation and the raft of proposals associated with it, went to appeal in the High Court of Australia. It waited to be heard from 1989 - when the legislation came into effect -
until the decision was handed down in 1993, leaving Ausmusic without its non-subsidy funding.

Responding to the legislation, the Australian Tape Manufacturers Association Ltd, together with BASF Australia Ltd and TDK Australia Ltd, challenged the constitutional validity of the proposed changes to the Copyright Act 1968. The Australian Tape Manufacturers Association Ltd v Commonwealth of Australia launched a three pronged case derived from constitutional law which argued that: (a) the legislation was not a copyright law; (b) the legislation imposed taxation where it did not meet the necessary constitutional criteria and was therefore invalid; (c) the legislation was introducing forcible acquisition of property from copyright owners, which was a power the Parliament does not have (Australian Law Reports: 53, 112). The majority of the High Court accepted the argument that the levy was a tax and agreed that the amendments were unconstitutional, based on argument (b) above and furthermore, copyright law could not be used to impose a tax (Challis 1994: 538). With this decision the moment was lost for the levy as a funding mechanism for Ausmusic, as well as the means of bringing other important changes to the Copyright Act. 'We will negotiate with the government to try to reintroduce legislation. It may mean that we will have to raise a tax to compensate copyright owners', Pete Steedman said after the demise of the Ausmusic funding plan (Sly 1993: 39).

Following the decision to strike down the legislation, discussions were held between its supporters, including Ausmusic, the music industry organisation Australian Recording Industry Association (ARIA), the key copyright collection agencies the Australasian Performing Right Association (APRA), the Australasian Mechanical Copyright Owners Society (AMCOS) and the Musicians Union of Australia (Simpson 1995: 21). Indeed, the music industry participants had been so confident of achieving their levy objective that ARIA and AMCOS had jointly established the
Private Audio Copyright Collecting Society (PACCS) to administer the scheme (Simpson 1995: 21). Hardly surprising perhaps, given ARIA's estimations that record labels 'lose out on up to $15 million a year from illegal home taping of copyright material', which ballooned to an estimate of lost annual retail sales of $226 million (Trioli, The Age, 12 March 1993: 3; Trioli, The Age 19 April 1993: 11). Whatever the correct figures, substantial amounts of money could be redistributed to record companies and song writers, if a method for introducing a levy was introduced. Not surprisingly, the Labor Government made a commitment to resubmit the legislation to Parliament as a tax bill to overcome the confusion and the objections lodged by the tape manufacturers. These agreements to continue with the levy faded, as the lengthy redrafting process for legislation of relatively low significance to bureaucrats and politicians saw it moved to a low priority in the line of taxation law (Trioli, The Age 19 April 1993: 11). Support for the levy in the form of a reconstituted tax law became lukewarm within the Commonwealth bureaucracy. Arguments were made by the Department of Science, Industry and Technology that 'the sale of blank tapes had declined in recent years', so that if a 10 per cent tax was applied on blank tapes sold, 15 per cent of that amount would provide Ausmusic 'only $300,000 to $450,000 a year' (Review of music industry organisations 1994: 21). This conservative, even defeatist approach to funding, does little to suggest that bureaucrats were in a creative frame of mind, in locating non-subsidy funding sources for Ausmusic. Furthermore, much of the policy space was taken up by the discussions and associated publication of the Copyright Convergence Group, Highways to Change: Copyright in the new Communications Environment (August 1994), while elsewhere Compact Disc rental issues came to the fore (Peach 1990). According to an APRA representative, by 1996, when Labor lost government, the blank tape levy was 'probably a dead issue' adding, 'I'd be surprised if it is revised in any form at all' (Interview, 25 June 1996). This failed
attempt at reform saw Australia then surpassed by the US, which introduced the Audio Tape Recording Act in 1992, which established an agreed distribution method for income to record companies, artists, music publishers and composers (Bard and Kurlantzick 1992: 12).

Industry both won and lost with the blank tape levy. From the time the proposal arose in the McLeay Report to its 1993 demise, the blank tape levy was a site for support and contestation between three different branches of industry: the existing music industry; the copyright industry; and the blank tape manufacturers, or hardware industry. Despite being a creative solution to a new initiative in popular music policy, the optimism amongst the supporters in the existing music and copyright industry and Ausmusic was misplaced. The outcome proved to be a dramatic loss for Ausmusic and the copyright policy initiatives associated with the legislation's demise. This failure reflects poorly on the ALP promoters of the scheme, who did not monitor its progress, inadequately assessing the likelihood of an appeal from the tape manufacturers. The tape manufacturers had proved by their track record in other parts of the world, that they would appeal against the legislation. The politicians, the legislators and the draftees showed that they did not attend to detail in drafting the law, with the ambiguity of the tax/royalty in relation to copyright law, a relatively simple issue of legal practice for a constitutional lawyer. One way to address the issue would have been to establish associations with the tape manufacturers, and gain their support for the legislation, in a form which they would have accepted - presumably as a tax law. For their part, both the music and copyright industries could have taken advice on the proposals - Lahore noted the difficulties after the legislation was introduced into Parliament. Similarly, Ausmusic and the ALP, together with the Attorney General exhibited false assumptions about the success of this innovative plan. Historically, the blank tape levy can be seen as a policy
debacle and a badly missed opportunity to provide an adequate and detailed funding base for new popular music policy initiatives, such as Ausmusic. As I will show in the next section, the result of the debacle was that Ausmusic struggled from its inception to find ways of offsetting this guaranteed revenue stream.

**Ausmusic**

Australia's popular music moment in which the Victorian and Commonwealth Labor Government established new institutions was 1988. The force of the rhetoric emanating from government and bureaucrats through the media and in a flurry of seminars and public announcements, created considerable interest. Despite the objections of the tape manufacturers to the levy, it appeared from the inquiries and reports in circulation by 1988 that the existing music industry would work with government on new policy initiatives. Certainly the atmosphere in Australia differed from elsewhere, leading Midnight Oil's lead singer Peter Garrett to differentiate the Australian popular music policy context from the US:

> Not every band has the commercial potential to exist on its own terms. Australia is a highly productive place musically. INXS, Crowded House, Midnight Oil are real long-odds bands. If artists have no financial support and no means to get themselves heard, society is effectively blocking people with something to offer. Artists need encouragement and that should be the function of government. If you can't make your government accountable in any way and you think that Pepsi and the government are the same thing, which in this country (USA) they are, then I agree with you. But in Australia, it's not the same. We have government institutions here that support artists, especially artists who aren't mainstream, with no suggestion that they tow the line politically. If there were any suggestion of that there would be an artist revolution (Young 1988: 84).
Governments providing encouragement for popular music artists against a backdrop of inaction in the US, offered an exciting prospect for growth and development. When Minister Dawkins, having moved from Trade to the Education, Employment and Training portfolio, announced on 27 June 1988 in Perth, that the Contemporary Music Development Company Ltd was being launched, media reports reflected the excitement that a new environment for cultural policy had arrived. 'Recognition at last for the pop music industry', said the headline on page one of the 'Green Guide', *The Age* weekly entertainment supplement, opening its coverage of Dawkins announcement with a summary of anticipated popular music policy actions:

A levy on blank tapes, tax relief for Australian video manufacturers, a nation-wide network for the ABC's alternative music station, 2JJJ-FM, and assistance for bands touring overseas. It's all part of a Government package aimed at boosting one of Australia's most neglected industries, popular music (Weiniger, 18 August 1988: 1).

The ability of Minister Dawkins to mention in his announcement that five Australian bands were in the *Billboard* Top 100 during the week the announcement was made, added to the palpable sense that national consciousness and government support were articulated to global achievements. The bands and their hit songs had already made a substantial impact in Australia before being recognised in the US: INXS ('New Sensation'), Midnight Oil ('Beds Are Burning'), Icehouse ('Electric Blue'), Kylie Minogue ('I should be so lucky'), the Church ('Under the Milky Way') (Metherell, *The Age*, 28 June 1988: 6). However, the achievements of the bands in the US encouraged overly optimistic claims for the new organisation to be made on the basis of unique, unsustainable achievements in the ebbs and flows of the popular music market, where bands come and go, along with fashion. Yet the support for the new company appeared to be positive, although an uncertain regard for Pete Steedman's involvement was mentioned in reports. Weiniger
referred to him as 'The man who stitched the deal together...self-confessed oldest rocker in town' ('Green Guide', 18 August 1988: 1).

Less levity would have been helpful if some focus had been directed at the admissions Steedman and Minister Dawkins made about the initial difficulties encountered in working with the existing music industry, together with the establishment costs to the government of setting up the company when the blank tape levy had not yet been presented to Parliament. As I noted above, the blank tape levy was to be denied in the High Court and the existing industry had not involved itself in the Export Panel. In his speech Minister Dawkins noted that the Export Panel had learned 'an important lesson', namely that 'the music industry can put aside the sectional differences (for which it has a remarkable capacity - no names no pack drill) (sic) and work together for the good of the industry as a whole' (Dawkins' Speech, 27 June 1988: 2). Later in the speech Dawkins reiterated his point: 'I hope that all sectors of the music industry will share this enthusiasm and endeavour to assist the company in its developmental activities' (Dawkins Speech, 27 June 1988: 6). Steedman had his own story, telling Weiniger: 'Initially there was some reluctance from sections of the music industry who were traditionally suspicious of government intervention. It took some time to convince them that this was not a case of government regulation or control ('Green Guide', 18 August 1988: 1). Steedman was more forthright in his comments to Sydney Morning Herald reporter Mike Seccombe, telling him, 'The record companies have now said they'll co-operate with the organisation.' (1988: 13).

The founding board of the organisation overcame some of these constraints, gaining the participation of the existing music industry with ARIA representation, the copyright industry with APRA and AMCOS representation, as well as Allan Hely, chairman of Festival Records and a
sort of godfather of the Australian music business, with his close links to Rupert Murdoch's News Corporation. The board representation appeared to consolidate Ausmusic as part of the industry. Yet, as I shall indicate later in this chapter and in the following one, industry participation did not translate into financial contributions or sponsorship from the industry, adequate to sustain the organisation, in the face of finite funding subsidies.

Nevertheless, the Australian Contemporary Music Development Company began with a $300,000 grant from the Commonwealth Government. Plans to begin drawing on the blank tape levy's 15 per cent in 1990 would have generated an estimated $450,000 in the first year, rising to $600,000, with corporate sponsorship providing additional funds (Weiniger, 'Green Guide', 18 August 1988: 1). Shortfalls in funds kept Steedman busy. In 1990 the Victorian State Government provided $300,000 to ensure that the headquarters of Ausmusic stayed in Melbourne, while a grant of $200,000 from the Department of Employment and Training - Minister Dawkins Department - compensated for the blank tape levy shortfall (Freeman-Greene, The Age, 7 November 1990: 11). Alongside the continual challenge to attract Commonwealth funding, various State Government education departments provided project based funds, especially for the appealing Roll Over Beethoven rock music education program in Victoria, South Australia, New South Wales and Queensland.

Ausmusic, as it became known, was launched by Prime Minister Bob Hawke on 12 May 1989. By 1990, the organisation had established itself in Melbourne and launched its public profile with an Australian Music Day on November 24 - which became an annual celebration of Australian music. In this case, Ausmusic was able to have the event funded by Coca-Cola Pacific Pty Ltd & its Bottlers, which provided $1.5 million dollars in cash (and close to $3 million with the addition of extras, such as
the summer advertising campaign featuring Kylie Minogue): Ausmusic realised nearly $750,000 from this venture which went into a high-yielding account to be used in 'developing young talent and assisting the live music industry', with the immediate acknowledgment that 'the interest from the proceeds was not a large sum of money' (Ausmusic News, May 1991: 2). When the 1991 Australian Music Day was held on November 23, Coca-Cola did not provide sponsorship. The 1990 deal was the first and last major sponsorship arrangement. It was not provided directly from the music industry but articulated Australian popular music to a product identifiable as a US-youth-lifestyle product, Coca-Cola. The major record companies were not investing in Ausmusic, although Mushroom Records did sponsor some events, such as musicians Master classes (Ausmusic, 'Summary of Activities', 1992). For example, in 1993/94 the public funding from Federal and State Governments to Ausmusic totalled about $1,593,492, with just $15,000 of that originating from 'Private sponsorship' (Review of music industry organisations, 1994: 22).

The constant search for financial support led to a commitment from the Commonwealth Government to fund contemporary music activities, including Ausmusic, through the Department of Communications and the Arts, to the value of $1.5 million a year (Creative Nation 1994: 29). Examination of the funding sources for Ausmusic indicates the composition of funds from different sources in Table 2.

In 1995/1996, responsibility for Ausmusic funding fell to the Department of Communications and the Arts (DOCA), valued at $1,200,000 and guaranteed until June 30 1996 (Lewis, Australian Financial Review, 26 April 1995: 8). Perhaps inevitably, the change of Federal Government in 1996 spelt the end of Commonwealth Government funding, suggesting that the linkages between the ALP, Steedman and the Commonwealth bureaucracy had run their course.
Certainly, the decision to 'defund' Ausmusic was made without consultation with Ausmusic, according to Steedman (Phone conversation 27 June 1996).

Table 2.

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<tr>
<th>Year</th>
<th>Source</th>
<th>Amount</th>
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<tr>
<td>1987/88</td>
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<tr>
<td>1988/89</td>
<td>DEET</td>
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<tr>
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<td>DEET &amp; DITAC</td>
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<td>1992/93</td>
<td>DITAC/DITARD</td>
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<td>1994/95</td>
<td>DIST</td>
<td>1,200,000</td>
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(Source: DIST, Review of music industry organisations 1994: 213)

The industry was too bloody-minded and narrow in its ambitions to assist Steedman and Australian music. A clearer explanation for this reluctance was that Steedman's and the Government's aims for Ausmusic were too bold, producing in supporters a sense that its brief was too broad (Freeman-Greene, The Age, 7 November 1990: 11). In launching Ausmusic, Minister Dawkins said:

The company's charter will, however, enable it to address any issue for the good of the Australian contemporary music industry - for example to expose Australian talent abroad and to promote the inclusion of contemporary music education in schools, the encouragement of popular music events and the protection of the rights of young performers (Italics added, Dawkins Speech, 27 June 1988: 4).

The Ausmusic Business Plan reoriented the direction of the company away from the generic industry development objectives:

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3 DEET, Department of Employment, Education and Training; DITAC, Department of Industry, Tourism and Commerce, DITARD, Department of Industry, Tourism and Regional Development, DIST, Department of Industry, Science and Technology.
Ausmusic is a non-profit industry development organisation for the Australian contemporary music industry. It was set up in mid-1988 with a charter to address any issue of consequence to the industry and with a particular mandate to improve education and training opportunities (1990: 4).

The issue returned again to funding shortfalls: 'Ausmusic made the decision to concentrate in areas of government responsibility not only because of funding availability, but also because it takes several years to develop and accredit education and training programs, and several years more before the results impact on the industry' (Ausmusic Summary of Activities 1992: 13). By 1996, Ausmusic had established a variety of education and training packages which were in use in the secondary and the Training and Further Education (TAFE) sectors. In particular, the Music Industry Skills Course had developed to include 113 modules of varying lengths, specialising in five areas of study: (1) Music industry studies; (2) Music performance; (3) Music business management; (4) Music technology; (5) Music marketing and promotion. Successful completion of the course (code 176) would provide a graduate with a TAFE Certificate. Similar vocational programs based on the Music Industry Skills Course were offered in schools, as part of music education. In 1996 just over 1000 Australian schools were offering Ausmusic course modules, which were also being used in schools in the USA, Canada, South Africa, New Zealand and New Guinea. As I will indicate in the next section, the export of educational programs was an unexpected outcome, and part of the government focus, although not initially meant for Ausmusic. Furthermore, in the six months to June 1996, the support manuals and videos for Ausmusic's Music Industry Skills Course had generated $250,000 in revenue for the organisation (Interview/correspondence with Bill Denning, Ausmusic Educational Services Manager, 27 June 1996).

This was an achievement that flowed from a well directed approach. It was part of 'a broad education and training
strategy’, which enabled rock music to be included as part of the school curricula and teacher training (Hawkes Report on Ausmusic, 1990, Ausmusic brochure, undated, 27, 22). This achievement has similarities with effective community music projects, where projects conducted for more than three years begin to generate income from original products which are then commodified and introduced into a transaction arrangement with industry.

Financial constraints did not stopAusmusicfrom attempting to fulfil its original objectives. Its five year business plan for 1995-2000 included industry development projects and concern with positioning Australia as the gateway to the Asian market. It conducted seminars about the Asian region during 1995 and worked with Government Departments such as the Foreign Affairs and Trade (DFAT) to promote this activity. In doing so it was caught again on the horns of a funding dilemma. Where Ausmusic received funds for an Asian export focus from DFAT, another organisation had been created as a result of the Export Strategy Group to handle such matters. Incredibly, Export Music Australia (EMA) was also the result of Steedman’s policy work and a result of almost too much success on his part. It was launched by Minister Dawkins on 4 August 1988, just one week after the launch of Ausmusic. While I will not detail EMA, its activities contributed to developing exports of Australian music, where the existing popular music industry worked closely with Austrade to provide a program of export activities to promote Australian music in selected targets. It was a program that attempted to focus the existing industry on export initiatives. By 1994, Austrade was uncertain of how to proceed with an export focus for Australian music, withdrawing its funds, while indigenous companies had criticised the program for being ‘too costly’ and for becoming ‘a self serving organisation in which relatively few enjoyed the benefits’ (Jonker 1995: 13). Nevertheless, EMA was a specialist organisation capable of providing a
defined program of support for the export of Australian music, although with limited success.

Ausmusic's move into export activity made it an easy target for criticism. A review of the organisation by the Department of Industry, Science and Technology was much less tactful:

Problems arise with Ausmusic when it is perceived to be operating in areas in which it has no established expertise, such as export promotion, provision of detailed advice on copyright and provision of information to people beyond the 'grassroots' level in the industry (Review of music industry organisations, November 1994: iii).

Funding dilemmas, project confusion arising from its overarching attempt to be the peak industry organisation, industry inaction, all challenged Ausmusic. Yet the organisation made a significant contribution to promoting contemporary music activities in Australia. I have not detailed its remarkable string of achievements: including its network of state based offices, coordination of a local music content system of measurement for commercial radio - the Australian Music Performance Committee (AMPCOM) - its support for popular music and young people's interests in any form, can be seen as an exceptional outcome.

The limitations associated with Steedman's role as key policy protagonist, rising to chief executive officer, are more difficult to gauge. His vision and energy established Ausmusic, gained cabinet support and kept the organisation alive. His inability to trust bureaucrats and the tendency to be proprietorial in his management of Ausmusic is a negative. The difficulty in gaining financial support from the established music industry may have been due in part to his bravado and abrasive style, although, as I will indicate in the next section on the Victorian Rock Foundation, the industry was not contributing there either. A suitable course of action for Steedman could
have been to leave Ausmusic prior to the 1996 federal election to a non-politically coloured (ALP) chief executive, in the hope that a new executive would receive the support of the conservatives and with it, committed long term funding. More detailed analysis of Steedman's role in the history of the ALP may be undertaken by other researchers. Similarly, an examination of Ausmusic could detail its strengths and weaknesses. My objective here has been to indicate the outcome of the policy proposal to establish the Contemporary Music Development Company. The organisation was established, making a significant contribution to education and training needs and ironically, albeit very modestly, participating in the export market of Australian services.

**Victorian Rock Foundation**

If Ausmusic struggled with the implications of the blank tape levy debacle, the state made their own play for popular music initiatives. Such is the uncertain history of the VRF that the account of its gestation presented earlier and based on a detailed series of interviews with Graeme Stephen, is not confirmed by another brief account written by consultant John Hawkes. He suggested that 'the creation of the VRF came from a study by the Victorian Tourism Commission in late 1986 (at the behest of the Premier and the Minister for Industry, Technology and Resources) into the staging of a high-profile music festival to attract tourist interest' (VRF Review 1991: 5). This conflicting view has implications for cultural industries policy research, which cannot be easily overcome. Researchers establishing an analytical base in the cultural industries would help clarify issues, identify information sources and refine contradictory historical recollections of key moments in policy activity. Nevertheless, the precise nature of the history of the policy formation will probably never be retold with the necessary level of accuracy, such was the speed with which events unfolded. Undoubtedly, my comments and
interests in this issue have been coloured by my membership of the VRF board from 1990 and the chairmanship of the board from 1994 until 1996. Much of the information I have gathered has been privileged because of my responsibilities. However, this material is informed by my engagement with what I believe was the failure of the VRF and my own effort on the board, to address the opportunities and challenges it should have struggled for more forcefully.

Emphasis on the tourism link to the VRF did come with a letter from Premier John Cain to the Minister for Industry, Technology and Resources, on 30 July 1986, the Premier noted that:

If implemented on the scale envisaged, the proposal would seem to have the potential to increase Melbourne's international exposure and provide significant tourism benefits for the State. I am particularly impressed by the fact that rock music has a vast international audience and is the main popular music interest of two generations.

As I have shown, the truth of the matter was that there were a number of shifts taking place at State and Federal Government level to benefit youth and the popular music industry and provide the basis for a music infrastructure, managed more directly by government interests. The policies were derived therefore from a number of sources, yet it is instructive to recall that strong individuals, such as Steedman and Stephen played a major part in defining the activity and establishing models for progressing their plans. Stephen emphasising trade union and employment issues, while people outside the left and without direct experience of the exploitative nature of the existing music industry overlooked such key industrial reforms. They mistook government interest in building tourism and negotiating Victoria into a position where it could achieve a high national and international profile for its popular music, through publicity, as an achievement in itself. This was not social democracy, with a social provisioning objective, although jobs that flow
from tourism can be clearly argued to be a benefit. Alternatively, the relationship with the existing music industry and its development was vaguely explained and assumed. Some of the promotion for the VRF, particularly material generated during the first Melbourne Music Festival in 1988 (such as the quote from the above letter from the Premier), clearly over-valued the link between tourism and popular music without presenting a strategic approach for the growth of the organisation.

However, there were indications that industry issues were considered and that the VRF could pursue some of the outcomes mapped in the McLeay Report's recommendations, at a state level (VRF Review 1991: 5). Against the McLeay Report and the tourism background, the VRF's industry focus was detailed in a publicity document titled 'Why a Victorian Rock Foundation', distributed during the 1988 Melbourne Music Festival:

The vision of the Foundation is that it will assist the transformation of the industry associated with the production of contemporary music. It will assist the recognition of the industry as a major source of employment, export potential and a means whereby the reputation of Melbourne as a tourist destination can be carried to the nation and the world on the vibrancy of its music and the innovation and creativity of its contemporary music industry.

The mix of industry and social policy concerns is not in alignment in this bold 'vision', with youth policy focus noticeably absent. Industry is raised to the pinnacle of achievement, as it was when Premier John Cain launched the VRF on 25 August 1987, stating that it would be 'an industry advocacy body' ('Launch of Victorian Rock Foundation Ltd'). Yet the indications were that a new state-based organisation had arrived to coordinate Victoria's existing industry and in part internationalise it, while using it as a means of attracting tourists. It was a challenging vision. Even more so because the issue of duplicating Ausmusic's and The Push's roles were not dealt
with during the formative stages of the VRF. With such an uncoordinated and competitive approach, producing confusion, the VRF had an uphill battle to find its place as a state organisation, located midway between the national objectives of Ausmusic and the local council activities of The Push and other Arts Ministry community music activities.

Speed played a part in the formation of the VRF and can be seen to have sown the seeds of its ultimate undoing and disbandment in 1996. As I noted in chapter 8, the VRF was established with $400,000 of Bicentennial funds with a $200,000 sponsorship agreement for the Melbourne Music Festival from the State Bank of Victoria. Yet these funds were primarily for the Melbourne Music Festival, conducted at the Melbourne Showgrounds from February 13-21 1988, as part of the Bicentennial celebrations. In some respects, the opportunity to promote this event as a celebration of Australian music in Victoria, could have been more clearly linked to the national consciousness movement arising from the achievements of Midnight Oil, Kylie and INXS. Elements of this appeared, for example in publicity material for the 1992 Festival quoting Kim Beazley MP, the Commonwealth Minister for Transport and Communication:

This Festival presents an opportunity to recognise the vitality and creativity of Australian music. It is good to be able to ... enjoy the originality, the pleasure and the relevance of our own music.

The initial registered office for the VRF was the Australian Bicentenary office (Australian Securities Commission, Historical Company Extracts 29 September 1995: 2). After the haste to establish the event and the conclusion of the Festival, a structural void appeared and was filled most practically by Ausmusic, which provided accommodation for the VRF in its Port Melbourne building. Speed also debilitated the organisation's links to the bureaucracy. After the Bicentennial events, responsibility late in 1988 move to the Department of Industry, Technology and Resources, where the VRF took its
accumulated debts of $295,000, before moving in 1989 to the Department of Tourism and then in July 1989 to the Ministry for the Arts, where it found relative security (VRF Review 1991: 6). Inevitably, the difficulties associated with a secure bureaucratic base and funding support arose from the VRF’s gestation as an organisation established to undertake a major public celebration of Australian popular music, following the achievements of Rocking the Royals, Rock and Docks and other Youth Affairs programs, noted earlier. The speed with which the VRF came to fruition - although not an overnight phenomenon - tended to generate a shotgun approach to its long term future and objectives.

It was necessary to define the organisation’s ambitions, owing to corporate and legal responsibilities and in doing so, the shotgun pellets covered a wide area. The VRF’s official aims were summarised in nine points, which recognised the scope of the organisation. In brief they were:

to foster the creation of opportunities for training young people in producing modern music; to facilitate and encourage investment in and support for research and innovation in Victorian modern music; to represent and further the music industry’s interests; to promote and enhance Victoria’s image as a major centre for the development and promotion of modern music; to receive and manage grants, donations sponsorship to further its objectives; to create tourism benefits for Melbourne and Victoria as a centre for modern music; to promote and assist cooperation and information among modern music organisations; to assist the development of the modern music industry national; to plan, develop, manage and promote a festival in Melbourne as a Bicentennial event in February 1988 and then as an annual event (Memorandum of Association, 20 May 1987: 1).
The VRF began as an organisation created by a one-off grant, destined to rely on government subsidy. Its Business Plan for 1989-1991 set three objectives:

1. Event management - to raise revenue and generate autonomy from subsidy;
2. Education oversight - to promote the overhaul of music education;
3. Industry development - aimed at positioning the VRF as the foremost music organisation in Victoria, working to 'overcome the fragmentation in the industry by transforming it into a coherent force' (VRF Review 1991: 8).

I am not going to enter into a detailed assessment of these proposals. That is a study in itself. I am however, going to note that the organisation remained committed to these broad objectives, while remaining unclear as to which it should give absolute priority, if any. In identifying the uncertainty in its focus, the VRF board commissioned John Hawkes to review the organisation's activities and priorities. The result was a document that provided detailed forward plans, while failing to clarify the precise nature of the VRF's activities. In an effort to control the uncertainties in its focus, Hawkes produced a definition in which he attempted to limit 'the aim of the VRF in one statement:

To assist the development of the Victorian contemporary music industry in ways which complement and enhance the activities of music industry workers, industry organisations and the private, corporate and government sectors (VRF Review 1991: 19).

While broad in its approach, the definition showed signs of bringing musicians and associated industry workers into alignment with related interests in the existing industry, together with government. It was an unwieldy, open-ended definition which, in retrospect - I was one of the board members at the time - should not have been accepted. Examining the document in detail, the inability of the board to limit and refine the VRF's activities is clear.
This is especially the case in relation to the Strategic Plan 1992-1994, which included:

**Priority Number 1:** Improve and strengthen professional development in the music industry by:

(i) Identifying the skills enhancement needs of the industry;

(ii) Developing, delivering and promoting appropriate training methods and programs;

(iii) Improving access to industry training.

**Priority Number 2:** Develop a stronger base for industry work opportunities by:

(i) Initiating and delivering programs and projects which assist artists and industry workers;

(ii) Encouraging and advising appropriate entities to utilise and organise music related activities;

(iii) Implementing and promoting industry access and equity initiatives.

**Priority Number 3:** Strengthen effective relations with industry organisations by:

(i) Supporting and advising various working groups;

(ii) Providing a conduit to government;

(iii) Acting as neutral facilitator;

(iv) Assisting in the development of cohesive industry policy.

**Priority Number 4:** Develop research and information services.

(i) Gathering, compiling and disseminating relevant industry statistics and data;

(ii) Producing industry publications;

(iii) Improving access to qualified information and advice.

**Priority Number 5:** Promote Victoria's profile as a key centre of musical development, production and presentation by:

(i) Further developing Australia's foremost contemporary music festival;

(ii) Representing and furthering the interests of the contemporary music industry;

Each of these proposals was detailed, including targets, strategies and suggested indicators. It was a helpful process and a monumental outline, which the board accepted, uncritically, and without establishing which, if any of the priorities should be agreed as key objectives. Unlike The Push the review did not recommend consultation with the existing industry, young people, or others with vested interests. A method of reportage directly through the board and the employees reproduced established ideas in a renewed, cohesive form. There was little room for criticism in such a top heavy approach. With Steedman also a member of the VRF board, while also chief executive of Ausmusic, it is instructive to note his comment about the approach of the Ausmusic board, which was mirrored in the VRF approach: 'All the stuff from the board is redirected at the level of the street. You can't make stars but you must give people equal opportunities to be stars' (Freeman-Greene, 'Guardian of the rock and roll industry', The Age, November 7: 1990: 11). The assumption that a board could make decisions that would flow to 'the street', even when couched in the equal opportunity language of the social democrat, would not resolve unanswered policy questions. In particular, to ask the industry and potential users of the VRF what they sought in such an organisation, could have advanced the relationship between the industry, musicians, consumers and government, to achieve stated policy outcomes.

More particularly, it was noted in Priority 3, that the VRF should work with Ausmusic, The Push and other related organisations. Personal rivalries, ownership of projects, interests that worked against long term relationships being built between policy makers and bureaucratic administrators, the existing music industry and community music sector failed to converge. A crisis of confidence
resulted. Despite the best intentions, Graeme Stephen believed, in a rather cruel assessment of the personnel employed by the VRF, that priorities aimed at bringing the policy initiated bodies together were undone by the quality of the staff.

Where it really fell down was middle management running the organisation. They saw immediate gains in the short term but didn't see the world market. It wasn't this little pissy, rock and roll, pub rock mentality. They didn't really understanding the importance of education, training and diverse music styles, which the big kids wanted. ..They had no vision (Interview 1993).

This is an overstatement. The VRF's first general manager, Ian Smith had been a tour manager for bands like AC/DC in the 1970s. It was through no fault of his that a new organisation had emerged, based on a new concept of government involvement with the music industry. However, in an article in The Age, titled 'The battle to gain some credibility' - which set out to challenge the existence of the VRF - Smith was reported saying that the VRF 'is like a small business development organisation in many ways. He feels frustrated that there is no facility for rock bands to receive grants in the way that writers or film makers do' (Freeman-Green, 7 November 1990: 11). It was not intended to give grants, nor was it necessarily about advancing a small business culture. The question remained: what was the VRF attempting to do? The answers were unsatisfactory.

Despite the absence of focus, the VRF made considerable advances in conducting the annual festival, offering training programs in a workshop context, conducting conferences, discussing the existing industry's interests. Once reorganised with Festival and Program funding each year provided by the Victorian Ministry for the Arts, the VRF was capable of providing suitable activities in an industry environment that had previously been unmediated by state funded institutions and officials. General Manager Michele Tayler provided an assessment:
Our programs are basically designed around giving people better information about the music industry and that can break down to a number of different things. One of the things that we've just completed is our fourth skills shop series and that's designed for musicians so that they can get good insight into various playing techniques, learn from professionals and really see stuff close up so they can ask a lot of questions (Stuart 1992: 23).

Outside the formal educational institutions, the VRF provided this sort of reinforcement for musicians and newcomers. As an industry development program such activities offered the prospect of enhancing the skill base, while brokering new relationships between established musicians and people seeking to enter the industry.

The Ministry for the Arts realised the value of the VRF, with a consistent subsidy until 1994, when, after a change from the ALP Government to a conservative Liberal-National Party coalition Government in 1992, arts budgets were cut. Funds for the VRF's programs were cut by $85,000, with $220,000 allocated for the Melbourne Music Festival in 1994, after $305,000 had been allocated in 1993 for programs as well as the Festival (VRF Board Minutes 18 November 1993: 1). Education and training, long term planning, consultation and programs in general - social provisioning in particular - could not continue. As a short term measure, the Arts Ministry agreed to allow funds to be 'drawn down' against the 1995 Festival allocation, to allow the organisation to maintain an office during the time Festival preparation was not in progress: reservations were expressed by board members about the risks involved in such action (VRF Board Minutes 18 November 1993: 2). Festival planning suddenly became the VRF's core activity. With a new government and uncertainty about the precise activities the VRF undertook, with the exception of the Festival, the bureaucrats started the VRF on a roller coaster ride which ended in disaster.
Two Festivals later and in April 1995, the board could no longer agree to maintain an organisation that had lost large amounts of public money. I am not going to examine the reason for the poor results of these Festivals. But the 'drawn down' funds had been exhausted, an overdraft of $70,000 was also exhausted and the board had been instructed by the VRF's consultant accountant Yanni Stumbles, that it could no longer honour cheques (Extraordinary board minutes 15 May 1995). After lengthy discussion, and as chairperson, I put a motion to the board as follows:

The board of the VRF agrees that the organisation be wound up forthwith, with support from Arts Victoria to the amount equal to outstanding debts; and that the board, in conjunction with Arts Victoria, appoint an administrator with a view to undertaking a full financial appraisal of the VRF and a full report on the Melbourne Music Festival and the VRF and the causes of its current account status (Extraordinary board minutes 15 May 1995).

Deputy chairman Bruno Charlesworth seconded the motion which received the unanimous agreement of the board. After discussions with the Director of Arts Victoria, Tim Jacobs, on 22 June 1995, Deputy Director Les Mengoni notified me and the board that Arts Victoria would assist with winding up the organisation, rather than provide 'the substantial funding that would be required to underwrite the ongoing viability of the organisation', as the board had requested (correspondence from Les Mengoni, 22 June 1995). Figures provided by the board identified accumulated debts of around $140,000 (Affidavit 29 September 1995: 4). The Government went ahead with winding up the VRF which was liquidated in June 1996 and sadly became a fixture of popular music policy history.

At no time during these events did the existing music industry attempt to solve the difficulties experienced by the VRF. Certainly, they sought assistance with and paid
the VRF for 'event management' generating a considerable amount in fees, but these services could also be purchased elsewhere, provided by specialists. From its earliest days, public subsidy and non-music, lifestyle promotion campaigns, linked to the Melbourne Music Festival were the primary source for funds. In the purple years, eg 1990, the fees for the festival were as follows:

Table 3

<table>
<thead>
<tr>
<th>Melbourne Music Festival: 1990</th>
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<tbody>
<tr>
<td>Ministry for the Arts Grant</td>
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<tr>
<td>Sponsorship - State Bank of Victoria</td>
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<tr>
<td>Sponsorship - Coca Cola Bottlers</td>
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<td>Sponsorship - VHPF/Rage Without Alcohol</td>
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<td>Sponsorship - other</td>
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<td>Royalties</td>
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<td>Sundries</td>
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(Source: VRF Profit Loss Statement, for the year ended 30 June, 1990)4.

By 1994 the figures could boast two major music industry companies, EMI and Warner Chappel (music publisher), donating abysmally small amounts of $750 each (AGM, VRF board minutes, 2 June 1994)

Mushroom Records was an exception. It had consistently had a representative on the VRF board, without contributing substantial amounts of money. Soon after news of the VRF's impending closure became public, Mushroom Records Managing Director and a founding director of the VRF, Michael Gudinski gave me a slap on the back at a social function, before adding: 'These things happen'. Otherwise, what could have been described as a conspiratorial silence from the existing music industry prevailed. It was instructive. When the blank tape levy failed, the existing music

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4 (VHPF) Victorian Health Promotion Fund.
industry in Australia had not raised its collective hand to fund Ausmusic. The VRF had always been subsidised by the Victorian Government, with assistance from radio broadcasters to publicise the Festival, the only substantial contribution. Radio stations, even commercial ones, are not the recording music industry. It would take more than industry development, innovative educational programs and festivals to engage the existing music industry. In the next chapter I will show that it took the far-reaching PSA inquiry of 1990 and the hard edge of Commonwealth Government regulation to force the music industry into action. However, for Ausmusic and the VRF, the policy came to fruition, the great visions for new institutions emerged, but the industry support failed to materialise.
Chapter 13

All is revealed: is anything achieved?

Numerous issues were raised by the initiatives that flowed from the reviews and inquiries in 1985-88. As I suggested in the previous chapter, the existing music industry only became involved in policy initiatives when their interests were challenged. Where youth policy and social provisioning was the issue, they were nowhere to be seen - the exception was Mushroom Records founder, Michael Gudinski, who served on the foundation boards of both Ausmusic and the VRF. Generally, the industry made no contribution to the workings of the initiatives, although ARIA had noted during the McLeay Report proceedings that it had never been invited to contribute to policy activity. This was only partially accurate: the Australian Broadcasting Tribunal had a direct relationship with the music industry through the commercial radio stations and the local content quota. ARIA had, quite typically, submitted 'Confidential annexures to statements of witnesses of ARIA/PPCA' to the ABT inquiry which produced the Australian Music on Radio report, keeping its self-interested commercial-in-confidence concerns from public scrutiny (1986: 257). Furthermore, the managing director of WEA Records, Paul Turner, had appeared as a witness before the same inquiry (1986: 254).

Despite these and other engagements the music industry had not been subjected to public scrutiny, although it had been involved in the public policy process. As far back as June 1975, Johnny O'Keefe, Australia's 'wild one' of rock and roll, appeared before an Industries Assistance Commission inquiry, arguing for a $1.5 million grant to the local pop music industry (Maloney undated: 9). Despite these and other precedents, the internal workings of the Australian...
popular music industry were not known to the government and policy makers.

Hardly surprisingly, when Federal Labor Minister for Consumer Affairs Senator Nick Bolkus announced on 15 February, 1990 that the Prices Surveillance Authority (PSA) would conduct an inquiry into the prices of recorded music in Australia, the previously somnolent executives of the major record companies went into virtual paroxysms. The unrelenting opposition to the Federal Government's request for an inquiry that began with that announcement continued until after the PSA handed down its report Inquiry Into the Prices of Sound Recordings (IPSR) on 18 December, 1990. By then it was clear what the record companies' outrage had been about. Amongst other things, the PSA recommended radical changes to the Copyright Act 1968, to allow parallel importing of recordings, as well as a number of other changes. When the Federal Government agreed to introduce a version of the inquiry's recommendations on 10 June, 1992, it appeared that the struggle over Australian copyright law had been won by the reformers. It was destined to be yet another hollow achievement, as the years unfolded. As well as this reform victory the inquiry offered an important side benefit, namely, an inquiry process that exposed the entire structure and operations of the Australian music industry to public scrutiny. It was unwelcomed scrutiny that was not anticipated in the early years of the Federal Labor Government's popular music initiatives. As such it marked a dramatic shift from the official reviews and programs aimed at either using or reducing government subsidies to popular music. It also went to the heart of examining the machinery which controlled the existing music industry: copyright.

In this chapter I will examine some of the details of this inquiry, concentrating on copyright as the mechanism
whereby the existing music industry maintains its power. In doing so I will indicate the weaknesses involved in the approaches adopted in previous inquiries and reports. Those inquiries relied on the subsidy model to resolve some of the key structural issues hindering the growth and maturity of the Australian music industry and its links with social policy objectives. The creative economic solution to non-subsidy funding for a popular music policy initiative, the blank tape levy, foundered while community music alone was creating industrial, self-funding characteristics. In this chapter I will also consider the way in which institutional economics informs the PSA events, particularly the relationship between corporate power and social democratic-mixed economy policy objectives. In concluding this chapter I will briefly consider some of the outcomes arising from the PSA, and the machinations that flowed from the recommendations. In particular, I will examine the Music Industry Advisory Council (MIAC) which lasted from 1992-1995 and the Music Industry Development Agreement of 1995, which provide examples of belated attempts by reformist government to deal with the existing music industry.

No longer invisible

The PSA inquiry was a watershed in Australian music history, challenging the status quo assumptions about copyright while attempting to realign the existing music industry with an Australia Government keen to compete within the global trade network. Until the inquiry, the recorded music industry had been relatively unregulated by a range of clauses within the Copyright Act 1968. The inquiry was a challenge to the prevailing free market structure that was upheld by the Act. Furthermore, the inquiry revealed the otherwise private and relatively invisible hand of copyright law in regulating the interests of the major record companies in Australia by controlling and maintaining their monopoly over product distribution.
Specialist legal commentators valorise copyright as a primary organising mechanism for defining property rights, which are expressed as a balance between ownership and incentive or creativity and competition (Ricketson 1991; Ryan 1991). Another less frequently encountered view suggests that 'the form of law reproduces the requirements of capitalism, in the area of cultural production' (Barker 1992: 493). These views suggest that copyright law needs to be contested more fully, both as a site for interventionary reform and to challenge the restricted way in which the debate circulates, where it is too frequently a territory dominated by copyright lawyers rather than policy makers with interests not only in managing capitalism, but the details of economic and social concerns.

**Public outrage - private power**

When Senator Bolkus announced the terms of reference for the inquiry, it was the culmination of tempestuous activity within the music and cultural industries in Australia. Music retailers who imported to Australia from the US and the UK current releases for sale, had been under surveillance for some time. Specialist retailers - most of which catered for fans - believed that their importation of current releases that were also being imported and released in Australia by the major record companies, was innocuous. In contrast, the majors said the existing clauses of the *Copyright Act 1968* gave them an exclusive right to import recordings from their parent companies, and it was their prerogative to grant those rights to other importers. WEA (Australia) was especially aggressive in claiming their exclusive distribution rights against the small numbers of imported recordings. In response to PSA hearing claims by Peter Snow, representing the Australian Record Sellers Association (ARSA), that US recordings imported by him to Australia were 32-50 per cent cheaper than the same
recordings distributed by Australian companies, WEA and ARIA chairman Paul Turner, told the PSA that it was 'usuroping' the Federal Government's economic role in suggesting a change in copyright law that would allow cheaper recordings to be sold in Australia by specialist retailers (Chipperfield, 'Sour note in record market' *The Australian* May 11, 1990: 1 & 4). In private conversations I had with copyright lawyers, WEA was seen as a major reason behind the PSA inquiry, due to its heavy-handed litigation of specialist music retail stores which imported small numbers of recordings without clearances from the exclusive licensees, such as WEA, CBS (now Sony), EMI, RCA (now BMG), PolyGram and Festival (Chipperfield, 'Sour note in record market' *The Australian* May 11, 1990: 1 & 4).

Elsewhere, another public inquiry was held into the book publishing industry by the PSA, culminating in the Inquiry into Book Prices Final Report, which was published by the PSA on 19 December 1989. This inquiry, which also investigated the parallel importing provisions of the Copyright Act 1968, provided the incentive the specialist music retailers needed to encourage the PSA to liberalise the music importation system. Working together as the ARSA, the organisation lobbied federal government ministers and the PSA, suggesting that, like the book publishing industry, the recorded music industry should be the focus of an inquiry into the restrictive, anti-competitive import licensing arrangements that occurred because of the Copyright Act. Historically, it was also possible to align the inquiry with the gradual development of a national culture and the need for a copyright law that reflected an independent nation's place in the world (Lahore, Griffiths 1974: 1).

If these arguments were not convincing, then the Federal Government had the 1988 Copyright Law Review Committee's report *The Importation Provisions of the Copyright Act*
This committee was established in 1983 by the Federal Labor Government to discuss and review copyright issues. The committee had recommended a relaxation of aspects of the Act, in particular parallel importing (1988: 3). More telling was the committee's conclusion that 'a number of inefficiencies ...probably exist because of the protected position of the exclusive licensees' (1988: 243). The government needed little encouragement to call a PSA investigation of the music industry, with such findings in its back pocket. There was even more incentive for the government to act because the history of Australian copyright law had been emasculated by the traditionalists who wanted to get the law right, rather than address 'the wider economic and social issues' (Ricketson 1992: 17, 18).

Senator Bolkus opened the door for a full inquiry with the terms of reference he announced in Parliament in February 1990. He asked the PSA to conduct an inquiry into: 'competition and efficiency, the Copyright Act 1968, piracy, the effect of current industry structure and pricing practices on the development of Australian music, profitability and employment, the introduction of new technologies' (IPSR 1990: xi). It was a short enough set of directions which produced a huge array of responses.

The PSA recommendations confirmed the majors' worst fears when they appeared in December 1990. They were:

1. After considering the possible consequences of allowing parallel imports of records, the Authority is convinced that such structural reform is the logical and preferable policy solution to the problem of high prices. It is therefore recommended that sections 37, 38, 102 and 103 of the Copyright Act be repealed in relation to parallel imports from countries providing comparable levels of protection over the reproduction of musical works and sound recordings. Proclamation of legislative amendments giving affect to this recommendation should be delayed for 12 months to allow the
industry time to implement necessary contractual rearrangements.

2. As a very much second best solution to some of the current problems (principally availability) in the record market, the Authority considers that it would be sensible to reform the importation provisions for musical works and sound recordings so that they were in line with the reforms adopted for books; and that the effects should be reviewed in three years (as proposed for books).

3. In the event that repeal of the importation provisions was not implemented, the Authority recommends that declaration of the six major record companies - BMG, CBS, EMI, Festival, PolyGram and WEA - under The Prices Surveillance Act 1983.

4. The Authority recommends the adoption of better targeted policies to protect more effectively against the piracy of records:
   - the amendment of section 135 of the Copyright Act to cover pirate sound recordings, where the copyright owner has given notice to the customs service regarding the expected time and place of importation;
   - in relation to the importation and distribution of pirate sound recordings, the amendment of sections 37, 38, 103 of the Copyright Act to bring their knowledge requirements into line with those of sections 36 and 101;
   - the raising of maximum penalties under section 133 to an unlimited fine and two years imprisonment.

5. The Authority recommends that the Government consider favourably the possibility of legislation for a performers levy based on sales and used to fund directly the development of Australian artists.
6. The Authority recommends that the Government re-consider the creation of a performers copyright comparable to that provided for the makers of sound recordings.

7. The Authority recommends the removal of the tariff on imported polycarbonate as an appropriate way to assist local CD manufacturing.

8. The Authority recommends that the Government consider the establishment of an 'Industry Council' representing all parties involved in the industry. (PSA News release, December 18, 1990).

When the recommendations were handed down, the opponents of the inquiry launched a double-pronged campaign to discredit the PSA, while moving to stop the introduction of the recommendations. For example, the executive director of AMCOS at the time, David Watts, called the report 'bullshit', adding that the 'Government made a mistake in calling the inquiry in the first place' (Interview 13 August 1992).

The debates achieved a high public profile, especially in the print media, after Midnight Oil's lead singer Peter Garrett prophesied the death of the Australian music industry as a result of the proposed changes to the Copyright Act 1968. Garrett's public prominence guaranteed that the PSA recommendations would be noticed, which, after all, was what his presence as an agenda setting pop star was about. His comments were typically catchy: 'Why should this Government try to dismantle a successful industry which is working well, employs large numbers of people, and which earns export income for the country, by removing the very mechanisms which allow it to exist' ('Musicians oppose copyright changes' The Age, 5 August, 1991: 10). Professor Allan Fels, Chairman of the PSA refused to let such comments go unchallenged.
He (Garrett) makes hugely exaggerated claims about the effect on the local industry. Garrett's perspective and concern are those of a big-name performer with significant international sales. He does not see the big picture: a need for more competition and lower prices, together with some direct targeting of the development of the Australian music industry (Fels, 'Little pain and huge gain from lower record prices', Sydney Morning Herald, 15 August 1991: 11).

Such public jousting was part of a conscious approach by the PSA was to make the inquiry a public issue, using the press to pressure the existing music industry and to educate consumers and policy makers about public policy (Fels Interview 1993).

One outcome of Garrett's involvement in the debate was increased public confusion, arising from his strong public support for social and political causes of injustice, involving such things as national sovereignty and Aboriginal land rights. His involvement led to questions like: Why was Garrett supporting the high price-setting activities of the (foreign owned) major record companies, and not supporting consumers in seeking lower prices for recordings?

More technically, there were two real questions to ask: 1) would changes to the Copyright Act bring lower prices from parallel importing?; 2) in so doing would the Australian artists be threatened with imports of (their) cheap records from overseas for which they would receive no royalties under existing copyright agreements?.

This would happen because recordings by and Australian performer or band had been released and failed to sell in foreign countries and be imported back to Australia to be dumped. The recordings would be deleted from the company's catalogue, denying copyright royalty
payments to the song writers. These 'deletions' or 'cut-outs' (piling up unsold in warehouses) could be bulk purchased in a foreign country by an Australian importer and sold in Australia at prices below those being charged in Australia for the same locally released product, for which copyright payments are made.

Negotiations continued on the sticking point of the parallel import changes to the Copyright Act, with a resolution announced in A Letter to Australian Musicians from Australian Council of Trade Unions Secretary, Bill Kelty on October 25, 1991: 'The ACTU is proposing that the Australian product be protected from importation by legislative means to ensure no possible avenue exists which could disadvantage musicians and the Australian product when sections 102 and 103 (of the Copyright Act) are repealed'. The Copyright Act 1968 was to be used to enhance opportunities for consumers by allowing for parallel importation and therefore price competition, while maintaining the interests of Australian artists in stopping the importation of the cut outs. With that arrangement in place the debate diminished and the recommendations slowly rolled into Cabinet.

The ultimate outcome of the inquiry was realised on 10 June 1992, when the (by then) Treasurer John Dawkins and the Attorney General Michael Duffy announced in their press release, 'Prices report on records finalised' that: 'The Federal Government has decided to open up the Australian market to imported records of foreign performers in two years time.' The Government passed all but the recommendation covering a performers' copyright, which would be formulated by the recommended music industry council to be presented for government consideration.

In the following pages I will use the PSA inquiry to help explain the regulatory structure and networks of power in
the recorded music industry in Australia. In doing so I will make explicit some of the structural characteristics of the recorded music industry, where a system of external regulatory organisations combine and compete with internal regulators in an extensive network of relations brought about by the Copyright Act 1968. This approach is an application of institutional economics flowing from my concern to make visible the agency of regulation as a site of corporate and government relations and its articulation with social and industrial policy.

**Copyright law as regulation**

The task of explaining regulation and how regulatory frameworks operate is more necessary than ever in the deregulatory context of the late 1980s and 1990s. It is even more important given the 'informational asymmetry' that permeates the subject through the anti-regulatory stance of vested interests who have most to gain by relying on the invisible hand of the market to maintain their interests, rather than government policy (Train, 1991: 314).

The following model of the Australian system of copyright and regulation fulfils the call made by Tunstall about media organisations:

> Where there is specific promotion of entertainment that reflects national culture it is likely to come through understandings within media organisations that certain elements of society should be served. Such understandings are rarely made explicit (1974:189).

By making regulation and regulatory frameworks explicit the linkages between local, national and international existing music industry players can be made visible.

My intention is to show that copyright law has been publicly unaccountable, providing power and control over
intellectual property. The notion of 'legal decision-making as an agency in the cultural field', reinforces the role of law, without identifying the vested interests which control and regulate the decisions (Saunders 1989: 20). The prevailing characteristics of regulators are those organisations or agencies which exist by law and in turn derive their power from the law.

This 'dual nature of law' sees it act 'both as a means of policy expression and implementation and as a form of control on government policy making and administration' (Arup 1990: 5). According to James Michael, this 'instrumentalist' or 'utilitarian' view of the law is important because the implications of the law are often not understood (1989). In the Australian context, statutory institutions or agencies such as the Prices Surveillance Authority and the Australian Broadcasting Tribunal have an established function to interpret and implement government law and policy. More important still is the function of the regulations in determining the detail of the relationships between producers, consumers and governments. Regulation, for example, can be viewed as a form of legalised, executive-sanctioned intervention (Michael 1988). The interchangeableness of the terms regulation and intervention find practical application in daily political discourse, where as was illustrated by Tony Sheehan, the Victorian Labor Minister for Finance from 1990, governments are challenged by the choices:

The facts of economic life are that the markets don't have a very good record, and that economic dogmatism of the left or right doesn't have a very good record in terms of outcomes. You have to work out where you want regulation, where you don't want regulation, the markets you want to intervene in, those that you don't want to intervene in, where government should intervene and where it shouldn't (emphasis added, cited in Dixon, The Age, 1991: 16).
Rhetorical opposition to intervention and regulation of the market has served to muddy the already murky waters. This is especially the case in the cultural domain, where commentators often fail to recognise the linkages between legal and regulatory concerns.

...in characteristically Australian fashion the three industries usually connected with (popular) culture - book publishing, music and film production - have been _distorted out of recognition by legislation or subsidies, usually in the name of cultural arrogance._ There is no real evidence that any of this government-induced _distortion_ of the market playing field has helped more than hindered the relevant industry (emphasis added, 'Editorial' AFR, 'Time popular music faced the music', December 21, 1990: 8).

Emotions become animated when ignorance, such as the neo-classical economic claims above, about the 'distortions' of intervention and regulation through legal and government involvement overwhelms better informed notions of regulatory systems and their policy function. Even the Industry Commission, which prefers the 'winding back of regulation' recognises that during the Labor years of government, 'the range of interventions has increased in Australia as regulations have been introduced to further a wide range of economic and social objectives' (Annual Report 1989-90: 79). Nevertheless, much of the debate about regulation is troubled by the absence of 'a theory of regulatory policy' which encourages frequent attempts to play market analysis off against regulation, which is informed by economic and social objectives (Blankart 1990: 211).

Copyright is part of this set of relationships, where the government, policy and property rights define the possible limits of a political discourse:
When government regulates it redefines existing property rights. Property rights guarantee an individual that he or she can use an item largely independent of the will or interference of others. When government policy makers establish regulations prohibiting property holders from using their property as freely as they have in the past, these policy makers are, in essence, reducing existing property rights (Price and Simowitz, 1986: 166).

The recommendations of the PSA, in particular parallel importation, challenged the property rights of the existing music industry's copyrights. In doing so, the PSA removed one definition, redefining copyright within the terms of the government's attempts to liberalise the Australian trading environment.

A regulatory model

I want to describe the structure which gives regulation its cogency within the existing music industry in Australia in relation to the agency of law, policy and executive power. I am aware however, of Armstrong's implied warning on implementing 'essential parts' of a policy domain within a model, when it is not possible to match the policies 'to reality and the attempted enforcement of the purported rules' (1990: 1). Nevertheless, I have identified three interdependent, internal systems of regulation.

a) Internal regulators operate exclusively within the domain defined by the law, in this case the Copyright Act 1968. They are internal, in the sense that their primary relationship to the recorded music industry exists under the general powers bestowed in the Copyright Act. The following copyright collection agencies operate within the local recorded music industry as internal regulators: Australasian Mechanical Copyright Owners Society (AMCOS), Australian Record Industry Association (ARIA), Phonographic Performance Company of Australia Ltd (PPCA), Australian
Performing Rights Association (APRA), Audio Visual Copyright Society (AVCS); Worldwide Register of Copyrights (WROC);

b) **Legal-external regulators** are the established agencies that set the general regulatory domain in which the internal regulators and all other agencies operate. They are, Parliament, Copyright Tribunal, Courts (especially the Federal Court);

c) **Statutory-external regulators** exist outside of the everyday relationships that apply within a specific industry, but act as regulators, in an interventionary sense. They are the Prices Surveillance Authority, Australian Broadcasting Authority, Trade Practices Commission, Industries Commission;

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**Industry and internal regulators**

The organised production of cultural goods such as Compact Discs often precedes regulatory relationships until such time as public interest, policy and politics merge to create or find the appropriate agency to enact a regulatory regime. An industry comes into play when the component producers exist in relation to and together with a supervening regulator which provides coherence for those otherwise disparate and or competing producers. The supervening group within the industry are the internal regulators. Blankart suggests that the nature of regulation makes sense only when it is understood in relation to interest group activity (Blankart 1990: 221). In my model the interest groups are the internal regulators controlling the copyright industry from the powers they derive under the Act. Furthermore, when the regulatory regimes and systems exist as an extension of the activities of the
interest groups, an industry formally exists, due to its relation to the regulators of law, executive and policy. This regime defines the activities of groups of like-minded producers with shared economic and cultural goals. The economic goals are market share and profit. The cultural goals are more difficult to categorise, but include an aesthetic environment for music tied to the promotion of an entertainment and youth and leisure lifestyle.

The recorded music industry derives its coherence through its internal regulators, whose purpose is generally defined by their power under the Copyright Act 1968. These internal regulators exist specifically to police their industry, which they define themselves, but in relation to copyright law. The internal regulators in the Australian recorded music industry - AMCOS, ARIA, PPCA, APRA, AVCS - create the industry, providing coherence. They work within it to oversee the activities of individuals and organisations that use copyright regulation. In this sense they are discretionary administrative regulators, who rely on regulatory law for their power (Michael 1990: 49). Parliament, the law and the Constitution provides the ultimate power to the internal regulators, as my examination of the detail of the blank tape levy in chapter 12 indicated.

**The main game - internal copyright regulators**

Internal regulators and regulatory law in the recorded music industry are most prominent in the area of copyright. In technical and practical terms, said the ACTU submission to the PSA inquiry, the music industry is about the creation of what is generally taken to be two copyrights. 'Firstly, there is the copyright of the musical work or song, which generates publishing income and secondly, there is a copyright in the master record, which generates recording income' (1990: 2). These copyrights involve the issuing of licences for the reproduction of music, the broadcast and
performance of that recorded music and the collection of royalties or copyright fees by the copyright collection agencies. The issuing of licences and the collection and distribution of royalties under the copyright law is the real motivating basis for the recorded music industry.

Put more starkly, according to Peter Garrett, copyrights 'provide the actual basis for all your (writer/musicians) earning capacity and they also provide the basis for industry investment itself over time' ('PM' ABC Radio, August 5, 1991). A less generous view of copyright sees it as a privileged, yet fundamental legal and structural mechanism within cultural production, where legal agency holds sway. But its function within the territories of law and culture make it considerably more complicated to deal with than an isolated economic or industrial interpretation suggests. Franco Fabbri points to its linkages across socio-cultural domains and its role in maintaining an economic status-quo.

Copyright may (or must) be seen as the area where ideologies of art, of individual rights and collective freedom, and of intellectual work and property are re-encoded to support the existing system of production (1991: 114).

The role of copyright outlined here suggests that it traverses areas of creative endeavour, which are then reduced, or in Fabbri's terms, 're-encoded' to minimise challenges to the established economic order.

Australia has no universal system of copyright registration. Copyright protection however, is free and automatic, but the law provides for no automatic enforcement of copyrights. Creators have well established rights under the Copyright Act 1968, but only when they formally claim those rights. These intellectual property rights cannot be administered by the individual creators. This recognition encourages the loss of power over copyright by creators, who hand over their responsibilities to collection
agencies. The Australian copyright collection agencies are directly involved in setting copyright fee rates and collecting the fees includes ARIA, AMCOS, PPCA, AVCS, APRA. While ARIA may dispute its inclusion in this list, because it is not strictly a copyright collection agency, it established and controlled the PPCA, which is a copyright agency. ARIA's role as the trade association for record companies sees it take on copyright enforcement roles, for example, the pursuit of music piracy cases for record companies. By so-doing it becomes the peak internal regulator for the Australian record industry, deriving its legitimacy from the law of copyright. As internal regulators, the copyright agencies collect fees from radio stations, live music venues and other licensed users of recorded music. They work together within the existing system, for its maintenance. Record companies and music publishing companies also collect if they do not transfer copyright licensing and collecting functions to the specialist agencies.

The copyright regulation system
The role of the internal regulators and the nature of copyright is multifaceted. AMCOS publicity material explains that copyright in relation to musical works involves several rights of ownership and control. The rights are:
* the right to reproduce the work in a material form;
* the right to publish the work;
* the right to perform the work in public;
* the right to broadcast the work;
* the right to broadcast the work by cable;
* the right to adapt the work.

The mechanical right, whereby a work may be reproduced onto a disc or audio-tape is gained by requesting permission from AMCOS. This organisation both collects and distributes
'royalties on mechanical reproductions where it would be impossible, impractical, uneconomical or uneconomic for individual members to do so. We act as a central clearing house for users, enabling the recording of music to be authorised swiftly, efficiently and economically - without the need to enter into the labyrinth of copyright clearance.' (AMCOS guide, 1990).

ARIA has a slightly different role, more in line with that of an internal administrator. It acts as 'an advocate for the industry domestically and internationally'; 'as a licensor and enforcer of copyrights'; 'as a focus for industry opinion and the dissemination of industry information' (ARIA brochure 1990). Of special significance for ARIA is its anti-piracy activities which it believes go to the foundations of defending the music industry structure. The notion of 'defence' can be taken as a further signifier for the internal regulatory function of ARIA. Its publicity statement says:

ARIA's strenuous and ceaseless anti-piracy operations are directed internally but utilise the services of highly competent and experienced lawyers and investigators, who work closely and effectively with Federal and State law enforcement agencies to ensure the continued protection of sound recordings against unauthorised duplication and commercial sale. This has resulted in a great many heavily publicised 'raids' on copyright infringers ('pirates') and the seizure and destruction of large numbers of counterfeit and pirated tape cassettes (ARIA brochure 1990).

While this claim explains the ARIA line on regulation of copyright in relation to piracy it evades more difficult copyright issues. Publishing income, for example, is payable by a record company to the owner of the copyright in the song for the right to reproduce that song on record. It is a sum set in arrangement between ARIA and AMCOS.
Interestingly, there are cases where a conflict of interests appears to override the collection agencies' stated role to collect royalties for their members. The agencies act for the holders of copyright, which are both the creators of music and the record and publishing companies. Those interests are often mutually exclusive and at odds with one another. So, for example, while ARIA acts for copyright holders, it must also act for the record companies. It therefore acts to minimise the statutory fee paid to copyright holders, in order to maximise record company profits. The figures for 'statutory royalty' paid to copyright holders is really not very high. Arguments to increase it and thereby benefit musicians and composers are given little or no credibility within record companies because they threaten record company profits and surplus operating revenue. For example, the mechanical copyright fee stayed at five per cent from 1912 to 1979. The Report of the Inquiry by the Copyright Tribunal into the Royalty Payable in Respect of Records Generally described this rate as 'not equitable' (1980: xiv).

APRA is involved in collecting (copyright) licence fees paid by venues, television and radio stations for the right to publicly perform musical works. The collected money is allocated between songwriter and publisher members of APRA (ACTU submission: 4). At the same time, income can be paid by broadcasters directly to the record companies who control the copyright in the master recordings for the right to publicly broadcast those records. So the record companies can circumvent the role of APRA as an internal regulator and act as regulators on the radio stations if they so wish.

A further internal regulatory function derives from the relationship between the record companies and radio and television stations, whereby the provision of recordings and videos for promotional purposes is linked to copyright
law and the requirement to pay royalty fees for broadcast. In 1969 the Phonographic Performance Company of Australia (PPCA) was established by the Australian-based record companies 'to act as their agent for the purposes of issuing licences to cover the broadcasting and public performance of sound recordings protected by the Australian Copyright Act 1968' (PPCA brochure, 1990). The PPCA's licence fees from radio and television stations and public places (such as supermarkets) generates an income relative to the potential size of the audience. The fees are, according to the PPCA, distributed to the Musicians' Union and Actors' Equity to fund activities and to record company members who disburse them to artists and other licensors. The PPCA has been a controversial organisation, largely because of its close association with ARIA and its very private, even 'clandestine' behaviour (Fray, 'Hunting the collectors', The Bulletin 1994: 32). It exhibited the worst excesses of internal regulation processes, where public accountability was almost unknown, its activities produced few, if any financial benefits for recording artists, while there were accusations from lawyer Bruno Charlesworth that it was a tool of ARIA:

There is no doubt that ARIA used the PPCA to totally fund its operations at least until 1990, and at least in part now. The vast majority of artists have never received anything from the PPCA (Fray, 'Hunting the collectors', The Bulletin 1994: 32).

When public scrutiny of the internal system of copyright management reached intolerably high levels for policy makers and politicians following the PSA inquiry, a Review of Australian Collection Collecting Societies was undertaken and the report published in 1995. The report will not be considered in detail here, although the inquiry can be identified as a response from the Federal Labor Government to the unrelenting questions raised about the
unscrutinised behaviour of the copyright industry. In the 1994 cultural policy document, *Creative Nation* the government reiterated that it had established the review of the collecting societies in an earlier cultural policy statement *Distinctly Australian*: the government's concern and criticism of the internal processes of the copyright industry was apparent. Shane Simpson's 1995 review passed off the government's request for the review as a manifestation of an industry that involves 'necessarily very complex' procedures arising from 'ignorance and misunderstanding' about the purpose of copyright collection societies (1995: 2, 7).

As a copyright lawyer Simpson's approach to the issue sought to dissemble the issues of copyright management by internal regulators. His relatively impassive approach did not challenge the activities or attitudes of the internal regulators, although monopoly control and PPCA's 'poor corporate health' was questioned (1995: 257-259, 209-216). In general, the review did little to alter the arrangements that had been established within the copyright industry, nor did the government embrace suggested reforms with vigour. A major opportunity was missed by the Labor Government to build into the internal system a method for opening it to continuing public scrutiny. It appears that almost inevitably, the internal regulatory system sees 'private interests asserting their rights under state copyright laws' (Grabowsky and Braithwaite, 1987: 178). The result of this tendency is that 'private law', such as contract, is an increasingly important part of copyright and regulation, challenging specious arguments that

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1 The terms of the brief were summarised in the 1995 Review as follows: to describe how the societies work; to examine their efficiency; to examine the equity of operation; to obtain information as to their impact on the cultural economy; to make recommendations as to how relevant legislation may be amended to promote the efficiency of the societies and the public interest; to make recommendations as to the establishment of new societies (Simpson, *Review of Australian Copyright Collection Societies* 1995: 7)
copyright law managed by collection agencies is publicly accountable (Michael, 1988: 3).

Global problems with music copyright

Serious deficiencies in copyright law exist around the world. As technology changes and converges, the role of international copyright regulations and regulators grows less clear. For their part, the role of internal regulators or collection agencies like AMCOS, ARIA, APRA, AVCS and PPCA are changing. Historically, at an international level, music publishing agencies collected the rights that accrued from the reproduction of sheet music. This was followed by the formation of the agencies to collect performing rights and grant these rights in a lump sum.

International hit records give copyright and internal regulators greater relevance than they would have otherwise, because each country makes agreements for the collection and distribution of royalties to the country of origin. The large amounts of money that are returned to corporations and individuals who own copyright are a huge incentive to become involved in the management of financial activities. Although the recorded music industry is a high turnover, high profit industry, copyright conditions that pertain to it are based on international agreements (in 1990 worldwide sales were estimated to be worth US$24 billion and steadily climbing) that are then interpreted at a national level on the basis of each signatory country's law (MBI, November 1991: 10). The International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations (known as the Rome Convention) sets out minimum rights for performers. However, examination of Appendix 6 of the Copyright Law Review Committee's 1987 Report on Performers Protection shows that countries interpret their responsibilities very broadly, while some simply disregard their obligations.
under the convention. Analysis of any regulation, such as the Rome Convention, the Berne Convention, the General Agreement on Tariffs and Trade (GATT) make the entire system more difficult to comprehend and interpret for such reasons.

In this context, calls for increased worldwide regulation at a general level, not just in the area of copyright and related GATT debates, are relevant. The claim from McQuail and Suine that '...the degree to which pressures have grown for a coherent policy for media, certainly at national and possibly also at international level', reflects the level of anxiety governments and public institutions have when confronted with corporate media giants and the immensity of their potential profits and the use to which they put those profits around the globe (1986: 5). The ability of internally regulated corporations and interests groups to act outside the control of legal or statutory (interventionist) regulators is a cause for concern. This is nothing new. For example, this issue was considered at the World Intellectual Property Organisation's International Forum on the Collective Administration of Copyrights and Neighbouring Rights, in May 1986. One of the questions discussed went to the core of the model I am using:

What supervision, if any, should governments exercise over associations or other entities, particularly if they are in a near-monopolistic position and if they represent also persons from whom they have not received the power of representation? (Besen et al: 1)

Linking copyright functions automatically to government or some other legal or statutory regulatory body has universal appeal. The call for 'supervision' is relevant in the recorded music where a recent trend has seen large record companies expanding into and controlling the music publishing side of the industry by establishing their own
music publishing companies, suggesting an increasingly monopolistic push.

**The PSA - outside looking in**

Regulation must have authority to exist. Public interest theory in its broadest sense makes specific demands of governments: such as regulation to reduce or stop unfair practices in the public interest is a virtual truism. In some cases the calls for intervention from various sectors of the community 'regard government regulation as the last line of defence against unscrupulous or otherwise predatory corporate conduct' (Grabowsky, et al 1987: 1). This is an aspect of the ideological background to the role of legal and statutory external regulators in relation to the recorded music industry in Australia. The pressure applied by US interests to introduce trade sanctions against Australia when the PSA announced a review of the computer software copyright laws in 1992, and liberalisation of the monopoly control over importing, produced threats sanctioned by the US Omnibus Trade Act (section 301) (Dobbie, 'Copyright move angers US lobbies' Business Review Weekly, August 14 1992). As Veblen suggested, the Business Administration is indeed a volatile mechanism for defending business interests.

In terms of my model, the internal regulators fulfil a role ordering, moderating and giving coherence to the industry from within - via membership - as well as reinforcing that industry by policing the activities of people and organisations outside the membership, primarily through licensing arrangements. ARIA's claim to 'work closely with state and federal law enforcement agencies to ensure continued protection of sound recordings' (cited above) indicates something of the relationship between internal and external, legal and statutory regulators.
In sketching this model of internal self-interest built around the copyright law, I have suggested that the lack of public accountability coupled with the objections to the PSA about the inquiry by the industry, produced a situation where benefits that could have flowed from copyright to creative artists and the Australian music industry in general were severely hindered. Not surprisingly, PSA chairman Professor Allan Fels described the record industry as a 'monopoly industry' on ABC radio, on 6 August 1990. At about the same time, Anthony Thorncroft's review of Fredric Dannen's examination of pop music chart rigging in the USA in *Hit Men*, concluded that 'music is too important to be left to the multi-national record companies' (September 28, 1990: 16). This concern about the multinational record companies and their inability to act in the interests of Australian music was an issue the PSA inquiry unsuccessfully confronted. It was an issue that Professor Fels pursued, especially when he was able to confirm after the inquiry that the multinationals had been acting 'under strong pressure and close scrutiny from their overseas masters' to undermine the PSA's inquiry (Interview 1993).

**Intervention at the heart**

The PSA inquiry was an intervention by a statutory regulator into the otherwise unchallenged activities of the internal regulatory structures and networks of the recorded music industry. Its recommendations struck at the heart of the internal regulatory network. As a Commonwealth Statutory Authority, the PSA had a 'mandate' to act for the government of the day in the interests of both producers and consumers, to 'promote responsible behaviour by firms in both the private and public sectors':

> The statutory functions of the Authority are to conduct public inquiries and examine notices of proposed price increases from declared companies (*Price Probe*, September, 1989: 1).
At the policy level, the PSA's brief was specific. Fels, writing in *Price Probe*, the PSA newsletter, made the regulatory and policy function of the PSA clear:

The PSA has an important role in the Accord's prices and incomes policy and in the process of micro economic reform. It is constantly seeking to see that efficient and competitive outcomes strike a balance between producer and consumer interests (March 1990 :1).

While this statement addresses the maintenance of a balance in economic relations between prices-incomes and the structural changes to a globalised national economy, that function existed through the PSA's role as a statutory regulator, a role it combines with an interventionary one to act to control prices in the interests of government policy. The PSA 'exercises its powers' under Section 17(3) of the Prices Surveillance Authority 1983. It acts under the direction of Federal Government Ministers (Treasurer, and Consumer Affairs) and Parliament. Its activities have been superseded by the creation of a super-regulator, the Australian Competition and Consumer Commission, which absorbed the PSA.

The links between regulators at various locations in the chain of relations are important in their influence on one another and especially as vehicles for policy reform and review. These links became clear when the PSA released its report *Inquiry Into the Prices of Sound Recordings*. As a statutory regulator, the PSA's recommendations were directed, in part, to the legal-external regulators, namely Parliament and the copyright laws. The first recommendation suggested that 'structural reform is the logical and preferred policy solution to the problem of high prices' and would be undertaken by changing the Copyright Act 'in relation to parallel imports from countries providing
parallel levels of protection over the reproduction of musical works and sound recordings' (IPSR, 1990: 160).

Other PSA recommendations shed further light on the recommendations. For example, the recommendation for a performer's copyright can be seen as a move that legitimises the law of copyright, then uses its powers to benefit those who are disadvantaged under existing copyright law. The concept of a performer's copyright challenged the record companies' profitability and the comfortable relationship the companies had with the copyright agencies by demanding that a new system of wealth distribution be introduced. It directed the attention of the internal regulators towards the large numbers of artists and performers who did not receive rewards for their work because they do not own song writing or mechanical copyrights. The recommendation was aimed at extending the redistributive function of copyright law, which was turned on its head to generate income to the relatively powerless to claim economic benefits.

Two other PSA recommendations are worthy of mention here because they reflect the PSA's interest in creating a continuing, publicly beneficial regulatory structure for the Australian recorded music industry. Firstly, the Performers Levy would be used 'to provide services to musicians (legal, financial, information and childcare) and performance programs' (IPSR 1990: 171). In recommending the levy, the PSA said 'there would seem to be a strong case for more direct government involvement in the development of Australia artists' (IPSR 1990: 171). This was a recommendation for a new methodology within the Australian recorded music industry. The PSA inquiry suggested that the existing industry was disinclined to accept such a suggestion, which amounted to an intervention into the internal regulatory system.
The recommendation for an industry council can be seen in similar terms. Its functions would include: the 'promotion of consultation and co-operation between industry parties; assistance in the development and implementation of solutions to industry problems; and the provision of advice to Government of appropriate policies to further develop the Australian music industry' (IPSR 1990: 172). In the context of the intervention into the industry that the PSA inquiry represented, the Music Industry Council recommendation was recognition of the need for on-going, permanent regulation in line with policy developments for the industry.

In the concluding discussion that follows, I will review the years of disputation and action that flowed from the PSA inquiry. I will also provide a perspective on how, in the years following the inquiry, the Federal Labor Government's approach to popular music policy struggled and ultimately failed to establish a new policy framework which moved beyond either the subsidy model or the insulated world of the internally regulated copyright industry.

Treading water in a policy whirlpool

Limited as it was by opposition from the existing music industry, the copyright industry and a handful of successful musicians, the PSA inquiry festered indefinitely for the Federal Labor Government. The blinkers had been removed from the policy process, revealing the copyright engine and the vested interests which were exclusively sustained by it. In dealing with the information shortage which had debilitated the PSA, Fels and the government, some steps were taken to ameliorate the problems. The two I will consider, the Music Industry Advisory Council (MIAC) and the Music Industry Development Agreement, give an indication of the depths of confusion, coupled with failing
determination by policy makers and administrators, in
response to the PSA. By any measure, they mark a sad
denouement to the Labor years, showing the music industry
to be incapable of articulating its interests to national
economic, social, or youth policy concerns and reluctant to
bring its activities within the domain of the reform agenda
of the government. They also indicate how the policy
initiatives that flowed from the 1985-1988 inquiries and
reviews, intersected with the PSA inquiry. One
interpretation of this convergence is that the initial
(1980s) policy process should have been more far-reaching,
including copyright and a PSA-style inquiry in the mid-
1980s. That was not what transpired.

MIAC came into being following Federal Cabinet's decision
in June 1992, to allow for parallel importation, noted
earlier. The organisation proclaimed that it:

was established to report to the Government on the industry
adjustment implications of the changed copyright
arrangements to apply from mid-1994, and to consider
further issues relating to the development of the
Australian music industry (Kim Wilson, Background paper, 16
June 1993.: 1).

The Council's role was defined by Kim Wilson, a person with
no direct experience in the music industry, but a
background as a Broadcasting Tribunal member, as providing
'a coordinated, representative and authoritative voice to
the Government for the music industry' (Kim Wilson,
Background paper, 16 June 1993: 1). The Musicians' Union,
whose Federal Secretary was a member of MIAC, had a
different view, suggesting that MIAC would 'most likely be
a very important organisation for the interests of
Australian musicians' (Western Australian branch Notes,
January 1994: 6). Both views did not match the original
objectives for the industry council, included in the PSA's
recommendations.
MIAC's first published document was *The Australian Music Industry: an economic profile prepared for the Music Industry Advisory Council* (April/May 1993), a simplistic study of the industry that failed to take the subsidy sector into consideration. Price Waterhouse, the consultants commissioned to undertake the study, reported that the industry was 'opposed to parallel importing for a number of reasons...', which led MIAC to suggest that 'the Government reconsider as soon as possible its decision to allow parallel imports of sound recordings so that confidence can be restored with individuals and companies re-directing their attention to the strategic factors likely to affect the industry's future' (*The Australian Music Industry 1993*: 83, Wilson, Background paper, 16 June 1993: 6). No detailed facts were provided, except the price point data collected by the School of Economics at the University of New South Wales, which had been collected and presented by ARIA during the PSA debates (*The Australian Music Industry 1993*: 93). The media made the most of this ineptitude, whereby a new organisation's first public utterance was to oppose the government's policy. 'Discord on entry of imported music', said the headline in the *Australian Financial Review*, which never ceased to argue for trade liberalisation and supported the PSA view (Lewis, *AFR*, 17 June 1993: 4). Kim Wilson also told a Canberra press conference that the multinationals were 'prepared to invest in Australian product', using the profits they generated in Australia (Lewis, *AFR*, 17 June 1993: 4). This was at least some indication of a change in attitude towards the Australian popular music industry, although no supporting data was provided. Even Melbourne's *Age* economics commentator and promoter of neo-Keynesian approaches Kenneth Davidson, was enjoined to the fray, suggesting that removal of the exclusive licence system would 'result in less investment in the industry' - again
no figures, but the industry line ('Why Australia needs a healthy recording industry' The Age, 24 June 1993: 15). The PSA's chairperson, David Cousins, who had taken over from Allan Fels, said the MIAC report was predictable, and that 'MIAC was stacked with representatives of the music industry' (Lewis, AFR, 17 June 1993: 4).

To add to the government's woes, MIAC began duplicating existing activities already perceived to be undertaken by Export Music Australia, Austrade and Ausmusic. In December 1993 it released an Export Focus Group Report, providing a constructive overview of the current status of exports, while simultaneously producing material similar to that established by the Export Music Panel Pete Steedman had convened in 1986-1987. For example, one recommendation, 'Role of multinationals' suggested that 'Discussions need to be opened with multinationals as to how they can better support local artists in the international arena' (Export Focus Group Report 1993: 4). This suggestion would have allowed the major record companies to continue business as usual, while such an inquiry was undertaken, if the PSA experience was seen as a model of their approach to policy reviews and participation in national music culture.

The situation was becoming untenable for the Commonwealth government. In Working Nation, the Federal Government's employment and training white paper, released on 4 May 1994, the government committed itself to 'review its involvement with music organisations' (1994: 85)\(^2\). The result was the November 1994 Review of music industry organisations document from the Department of Industry, Science and Technology. At last an overview of Commonwealth

\(^2\) The full commitment read: 'In the past a number of organisations have been established with Government support to encourage the development of the music industry. The review will advise on future organisations structures for the music industry, including measures against which their performance can be assessed (Working Nation, 1984: 85).
initiatives was released. There were no perceptions that vested interests, such as the existing music industry, or indeed, Price Waterhouse, which had acted for ARIA, during the PSA inquiry and had produced MIAC's Economic Profile document, arguing for the status quo, would overwhelm this examination of Ausmusic, EMA and MIAC. I will not detail this review here.

The report argued for the cessation of MIAC, the funding by the Commonwealth of Ausmusic for five years and the continuation of EMA. It did not argue for the merger of Ausmusic and MIAC, 'because we see no need for government to fund a larger body with a wider brief than that which Ausmusic can fulfil. The advisory functions of MIAC can be provided to government in other ways' (Review of music organisations 1994: v). MIAC ceased to function.

Given the circumstances - the government's exhaustion with the industry - no advisory organisation appeared. A specialist, impartial information and analysis resource for the music industry would have been useful, which the review acknowledged had been a strength of MIAC. Incredibly, the review recommended an 'ad hoc' approach to information gathering and analysis, an approach which had attracted long-standing criticism of media and communications policy, as noted earlier (Review of music organisations 1994: 50, v). There was little hope for coordinated policy action with such a methodology. Finally, with Creative Nation, the Government's cultural policy statement of October 1994, a commitment was made to bring all the players together, following the DIST review: 'the Minister for Communications and the Arts will, in conjunction with his State and Territory colleagues, convene a contemporary music summit. This will provide for views to be expressed at a national level' (Creative Nation 1994: 30).
Ausmusic immediately took up the challenge, employing well informed and highly committed consultant Ed Jonker, who had worked at Austrade, and as a specialist popular music analyst at the ABT as well as working at Triple J, the ABC's national youth network. He has also - perhaps, unsurprisingly, given the shortage of specialists - worked as a consultant for Ausmusic (Ausmusic Contemporary Music Summit, Bulletin 1, March 27, 1995: 4). Jonker produced a 'Briefing Paper for the Summit', held in Canberra on 27 April 1995. In it, he noted that 'Ausmusic was originally established to be a peak council to pull the industry together, to advise government and to be financed by the blank tape levy': he then suggested that Ausmusic be confirmed as the peak industry council (1995: 4).

Remarkably, the paper was one of the few documents in circulation that established a position critical of the prevailing popular music policy initiatives, and did not resile from criticising the major record companies. Perhaps, due to his employment by Ausmusic, Jonker had to toe the party line on the PSA. He provided the following commentary:

Apart from the Prices Surveillance Authority's report on the prices of recordings, which has been accepted by government and industry as a flawed document, there has been no pressure on the recording industry in regards to local product or its export (Briefing Paper for the Summit 27 April 1995: 11)

Some mechanism was required to encourage or coerce the existing industry to participate in the local music industry. Michael Gudinski told the summit:

There's too many people in the Australian record industry that sit back and live off international product. Unfortunately too many of the international promoters... haven't got a commitment to local music...it's up to them to be more supportive and do more for Australian artists
Reports of the existing industry's uncooperative interest in Australian popular music were included in news comments from the summit: 'Previous attempts to establish Ausmusic as a peak council have been weakened by resistance from the multinational record companies' (Thomas, 'Sounds of disharmony in a musical maelstrom', The Age, 29 April 1995: 21).

The Government had enough. On April 20, 1995 a joint statement was released by Senator Peter Cook, the Minister for Industry, Science and Technology, Duncan Kerr, the Minister for Justice and Michael Lee, the Minister for Communications and the Arts. In it they announced what they said was 'a package of measures to encourage further growth of the Australian music industry' (Media Release, 'Bright Future for Australian Music Industry, 20 April 1995: 1). In actual fact it included a big stick with which to hit the industry and a carrot that amounted to a final announcement following the PSA's recommendation, of support by the government for a performers copyright. The big stick was the most remarkable outcome to flow from five years of PSA-induced debate, or even the result of the accumulated 12 years of frustration the government had experienced in generating popular music policy that incorporated the existing music industry. With kid gloves, the Ministers announced two programs: (1) that the organisation chaired by Alan Fels, the Australian Competition and Consumer Commission, would undertake 'formal price monitoring of the six major record companies'; (2) an industry development agreement worth $270 million would be entered into with the major record companies 'which guarantees increased investment in Australian artists and the growing field of multimedia to create new export opportunities' (Media Release, 'Bright Future for Australian Music Industry, 20
April 1995: 1). So at last the existing industry would have to invest in Australian popular music.

Then, in a pathetic turn around in the same document, the Ministers also suggested - without saying that they were not pursuing the earlier agreement made by Cabinet in 1992 to introduce parallel importation - that they had been 'unable to find any country in the world in which parallel importation has reduced prices or led to low prices, low rates of piracy and a vigorous domestic industry' (Media Release, 'Bright Future for Australian Music Industry, 20 April 1995: 2). Parallel importation was dead.

Just 14 months later, in June 1996, The Australian newspaper reported that only Warner Music Australia had completed an investment agreement, while the plans for the five other majors to contribute to the $270 million investment in Australian popular music had stalled (Henderson, 'CD price cuts falter as deal hits sour note', The Australian, June 22-23, 1996: 9). Hints of the back down were already in circulation (eg, Lewis in 'Fels targets the music industry', AFR, 5 June 1996: 5, had noted the unlikelihood of the agreement achieving its anticipated developmental and investment function. Weeks before a leading executive in the copyright industry told me (off the record) that the record companies would never invest $270 million in Australian artists).

This was not to be the end of it. On 5 June 1996 the AFR noted that 'Allan Fels has Australia's multibillion music industry in his sights - again', continuing: 'A year after the then Labor government (sic) voted against relaxing import restrictions on recorded music, Professor Fels, chairman of the Australian Competition and Consumer Commission, has begun quietly lobbying key ministers to
throw open our national copyright boundaries' (Lewis, 'Fels targets the music industry': 5).

In perhaps the saddest indictment of Labor's approach, Professor Fels added a harsh, yet understandable judgement of Federal Labor politicians and their supporters' ambitions for popular music policy:

> They (the Coalition) don't appear to be in need of going back to a bunch of industry mates to make up their mind about the matter - unlike some ministers in the previous government (Lewis, 'Fels targets the music industry', AFR, 5 June 1996: 5).

Frustration with the micro-economic reform program aimed at liberalising Australian trade, including the internal regulatory regime of the existing music industry, animated Professor Fels. His criticism of Labor could be seen as a failure of will by Labor Ministers to pursue stated liberalisation objectives, combined with a naive sensitivity to consult with the industry, resulting in the government failing to move beyond the threats, blandishments and stone walling the industry constructed to defend its exclusive rights. However, there is no excuse for the ALP's failure to act.

It would be a sad irony if the proposals made by the PSA to allow parallel importation were introduced by the Liberal-National party coalition in the interests of trade liberalisation, without commensurate support for the subsidised popular music programs that were part of the Labor Government's policy concerns. This is a likely outcome as the 1990s draw to an end.

Then again, in this chapter I have shown that social and industry policy concerns could not coexist with the internal regulatory structures of the existing music industry. In sketching out a model of how the Copyright Act
creates property rights derived from Parliament and the law, I have shown how public policy, linked to government objectives was hindered by the power of vested interests. In this environment, social provisioning policy outcomes could not be achieved as part of the Labor Government's reforms. The policy struggle around Australian popular music appears destined to continue through the 1990s, without the flawed social and industry vision of the Labor Party.
Conclusion

Popular music policy 1982-1996 was brought about by the alliance of Australian Labor Party activists and politicians, global music industry companies, and social and economic policy concerns, which converged in a rapidly globalising national context. My research question was in two parts and sought answers to: (1) the motivation for the policies; (2) the effectiveness of the policies. I have attempted to assess both sets of questions by limiting myself to selective examples of popular music policy activity, in the years Labor was in power. My conclusion is that positive policies were developed, which partially achieved the stated policy goals. In reaching this conclusion, I have achieved the objectives set out in my introduction: I have built a theory, I have established a political economy of the policy process based on that theory, showing the relationship between the existing popular music industry and social and industry policy concerns, and I have examined selective case studies.

I have shown that a confluence of forces met that had never before been mobilised by Australian State and Federal Governments. Drawing on poorly defined social democratic rhetorics and the individual commitment of opportunistic Labor Party activists, the policies sought to build on the then existing appeal of Australian popular music that had achieved a high national and international profile in the early to mid-1980s. However, another conclusion I have reached is that the policies were too broadly defined to achieve their objectives, moving without adequate coordination in a number of simultaneous directions. The policy proposals failed to recognise the variety of considerations required to build an appropriate political economy in the national context. With the exception of the blank tape levy proposal, it took the eruption by the existing music industry in response to the PSA inquiry, to move beyond the subsidy model. The refusal from the industry to accept government involvement came too late for the inquiries and resulting reports of 1985-
1988, which failed to incorporate the highly profitable, internally structured industry into its activities. Promises by the existing music companies of engagement with Australian musical culture only came about in 1995 with the flawed music industry agreements, which remain inconclusive in 1996.

Key examples have been drawn from the macro or national environment, where agencies which resulted from the policies, such as Ausmusic and the Victorian Rock Foundation struggled to articulate the interests of music and culture together with industrial concerns in the context of the policy initiatives. Alternatively, my examination of policies in the community or micro sector suggests that, given adequate time to mature, community music initiatives began to produce industrial characteristics, withdrawing from their reliance on public funding, or subsidy. In my investigation of these sites of activity I have shown how an evolutionary approach to analysis drawn from institutional economics can expose the process of cultural policy formulation, where social provisioning and economic benefit may emerge, over time.

My conclusion is that popular music policy was motivated by political, economic, social, industrial and cultural stakeholders, which co-existed in an unequal relationship. The articulation of their interests to cultural and industrial policy sites relied on their ability to bring rhetorical forcefulness to the policy arena. I have shown that the existing popular music industry was the dominant agency in the Australian policy context. Their vested interests in the key domain of copyright law, where the power they derived from the Copyright Act 1968 provided them with economic privileges, made them disinclined to liberalise their domination of the Australian scene, or to contribute to it. The study has shown that their industrial self interest emasculated national and local policies. Consequently, Victorian and Federal Government popular music policy initiatives were forced to rely on...
public subsidies, rather than establishing closer relationships with the existing music industry. The community music examples stand in profound contrast to the policy initiatives that attempted yet ultimately failed, to work with the existing industry.

I have shown that opportunities to enhance popular music activity in Australia have been missed by relying on the globalisation ethic of corporations, rather than the globalising logic of commodification, with a nationalist agenda. Governments intent on economic and social reform must be prepared to grasp the national nettle, which means leading corporations rather than following them, even if this means alienating existing industry stakeholders, as may occur with copyright issues. The PSA inquiry example indicated that existing record companies require national policies which coerce them to articulate their industrial and economic interests to national cultural developments, in partnership with governments and policy makers. Without such an approach, industrial and cultural concerns will not be drawn together. The result of this outcome is a likely increase in demands for public subsidy, which the industry could easily fund, yet evades.

The popular music policy formulation theory accounted for the activity during the years under review. However, analysing the research results in the light of the formulation theory, it is clear that culture and industry concerns were not adequately articulated to each other in the policy building and implementation process. My interpretation and use of institutional economics and the concept of culturalism further informed my inquiry, highlighting a range of industry policy, social policy and cultural issues within the theory. Furthermore, the popular music policy formulation theory provided a method for comprehending commodification of popular music operates. The theory made it clear that an approach to popular music policy that appreciates commodification and related processes will be better equipped to identify the
points at which social provisioning and industry development can be proposed and initiated. The community music element of this study bears out that view. The mediating logic of policy promotes responses in the economic and social environment through their articulation with the corporate interests of the global music industry. This is the challenge that the Labor Party policy initiatives of 1982-1986 did not comprehend. Ignorance of the epistemology of production, where all the necessary players need to be incorporated into the relationship, was a severe limitation. Other studies could make use of elements of the theory, as well as aspects of institutional economics, to provide further advances in popular music policy studies.

Despite the rhetoric accompanying policy initiatives, social provisioning did not adequately inform policy makers, neither did politicians recognise the dangerous limitations of an ad hoc music industry policy, without the determined involvement of the existing industry. The lesson to be learned is that the two clusters of activity - the micro and the macro - would function effectively if they were offered simultaneously and managed from a single or co-ordinated organisation. State and local representation could respond to the needs of communities, with the prospect of creating self-funding programs. Consequently, community music programs could be articulated relatively flawlessly into the global ones. Major cultural and economic benefits could flow from such an approach.

Finally, my theorisation of the decade and a half under review has achieved the objective of informing the study by identifying the key social and industrial elements involved in the policy process. Political economy, as an approach which examines change in society, is more complex than this formulation allows. In future, a refined theory would attempt to take account of the investments by individuals in the policy process, together with the
relationship of local or micro popular music policy concerns to State and Federal Government interests in the mutable national and global context. This remains a challenge due to the range of forces and interests at work in the policy field. A theory that elaborates this network of relations will improve the formulation, offering new ways forward to policy makers themselves.
Appendix 1

Mushroom Records

The following document, *Music, Power & Culture* began circulating anonymously late in 1990. I received a copy by fax from a friend who owned a Melbourne independent record company, who was not the author.

The document provides a range of views that circulated in the policy context during the years 1988-1991, when the Victorian and Commonwealth Governments music policy initiatives were at their height. Many of the predictions included in this commentary did not come to pass. In particular, the total dominance of the Australian music market scenario by Mushroom, did not eventuate. By 1993-94, Melbourne distribution company, Shock Records had established itself as a serious threat to any monopoly power that Mushroom appeared to hold in the late 1980s.

Certainly domination of agencies and venues appeared to have had an impact, with an estimated 32 venues closing around Sydney in 1990-1991, according to Sydney entertainment lawyer, Warren Cross. This may have been due to other issues, such as planning and noise pollution regulations, than the singular control of the live scene by Premier Harbour.

The issue of Mushroom's involvement in policy initiatives is more pertinent. It is considered in more detail in the body of the thesis. Suffice to say here, that Mushroom and the majors involvement in policy activity grotesquely skewed the policy environment during the 1980s-1990s. Their self-influence and absence of financial commitment to popular music policy initiatives is the real story, highlighted by the following material.

*Music, Power & Culture*

For nearly three decades the Australian contemporary music scene was a real hothouse of creativity where original artists prospered, rival music businesses competed to represent acts, freelance entrepreneurs courted new talent and live music venues flourished.

In this dynamic environment that began in the 1950s as succession of world class acts evolved whose recordings focussed on Australia and the countries national pride.

Over the last few years the situation has changed dramatically.

The music industry has entered the 1990s like a spent force; and if the current inactivity is allowed to continue the scene will degenerate to corporate pop concept, manufactured bands and imported recordings: some say it already has.
The American and European markets are having unprecedented success with new acts which point to a localised cause of Australia's predicament. Newspaper articles, that read like obituaries appear on a regular basis trying to analyse the downturn, sighting such things as conservative radio programming, an aging population, the depressed economy or that music has nothing new to offer.

The fact is, a chain reaction of events has decimated the Australian contemporary music industry - a direct result of a ten year monopoly. This simple truth is unspoken for fear of the consequences - banishment from the halls of power - a ticket to rock 'n' roll oblivion!

'The Company' concerned is a diverse entertainment conglomerate that attained absolute market dominance in the early eighties through a series of mergers, partnerships and takeovers. Their real power is derived from controlling the most effective instrument of influence within the industry, a national booking agency, while affiliated companies reap the rewards of this power base from artist management, venues, record labels, music publishing, merchandising, international artist tours and media interests.

The directors of this monopoly are far from being concerned industry leaders, their insidious modus operandi is to aggressively eliminate competitors, manipulate the media and promote wholly owned company artists.

They rig record charts by pursuing their own product retail outlets and in-store staff are plied with merchandise, concert tickets and invitations to company parties as inducement to enter high survey chart positions.

Cultivated relationships with key media power-brokers ensures company product receives maximum exposure. The program manager of Melbourne's top rating radio station (Barry Bissell/FoxFM) lives with the companies managing director, Australia's high profile rock guru (Molly Meldrum/Hey Hey-TV Week) is intimately entwined in the organisation and until recently they were in partnership with the MD of the countries only national FM rock radio network (Wheatley/MMM).

Government funded industry bodies such as Ausmusic and the Victorian Rock Foundation were established by the company, staffed by their cronies and the policy decisions are directly controlled to benefit the company.

The nature of the companies power is such that it can influence precisely which artists will succeed and conversely wreck careers. There are dozens of displaced artists & managers who can testify to the companies paranoia of individuals who aren't part of the inner circle.
Innovative freelance entrepreneurs are encouraged to manage and develop artists, promote venues and establish satellite businesses under the companies patronage but history exposes the futility of their efforts. Once success is imminent, they are undermined and discarded to ensure that the company receives the full credit and financial rewards. In the case of artist management contracts, they are widely regarded as unenforceable having (never been legally tested), hence they present no obstacle to the company.

'The Company' is the sole arbiter of musical tastes! The director chooses which bands to promote therefore, what they like is what the public gets and their avaricious criterions vary from vested interests to personal friendships.

Market dominance was achieved at the expense of healthy competition and as a result the boom industry the company inherited has contracted every year since while the fortunes of the directors have multiplied.

Back in the heady days of newly acquired power, a senior director of their booking agency arrogantly stated that they were not interested in new artists because of the financial inviability in relation to the work involved. Company policy was to move in after others had made the effort to establish the acts' profile. 'This was proved to be a pivotal cause of the current dilemma when coupled with their ruthless approach to independent entrepreneurs.

Their booking agency represented all the major acts so they were able to demand higher fees from venue promoters. The deals soon became so one-sided that there was no margin for the promoters whose rapid demise was a serious blow to the industry because of their skills in supporting new talent and creative promotion. No one cared at the time as the bands were earning more money and venues were serviced directly by the agency.

Hotel licensees booking and promoting entertainment in their own venues is riddled with problems, not least being that an agencies motives recommending a particular band is often at odds with the best interests of the venue. Yet there were only two choices - put up with it or stop booking bands. Many licensees sustained huge losses before opting for a light show and a DJ.

Band managers - the people who discover and develop artists - were the next freelance operators to go. With no alternative agency, the power of managers was severely reduced. Bands began dealing direct with the agency which had the short-term benefit of saving them a managers commission.

With this rapid process of change, flaws within the new system began to appear.
The natural demise of a few established bands per year was not accompanied by the usual emergence of new artists to replace them. The agency plugged this minor hiccup by encouraging a market for concept bands (imitating the stars). They saw a great opportunity for 'temporarily' out of work 'name' musos and encouraged them to earn a buck between real gigs. The agency was able to ask for good fees and the licensees lapped it up because they could advertise with some confidence. Audiences have now been conditioned and concept bands are one of the agencies main sources of income.

Lighting and production companies were forced out of business as the live music scene shrank. Recording studios struggled on until ultimately many went to the wall; no doubt most studio owners would sell their unprofitable facilities except that there are no buyers in a monopolised industry. Hundreds of experienced people have left the music scene, most have probably been lost forever.

'The Company' inadvertently destroyed a fragile infrastructure and consequently blocked their own supply of quality local artists so they now concentrate on releasing records by and touring overseas artists, recording T.V. soap stars, booking the concept bands reviving the careers of former rock stars and managing their stable of fifty racehorses. It's a pity they could not put their obvious prowess on a higher moral ground or at least seen the dire consequences of their tactics early enough to have prevented this pathetic scenario.

The five international record companies based in 'Sydney - CBS, BMG, EMI, WEA and PolyGram - are of little consequence in this analysis. They may have 70% of total record sales but play only a minor role in the local industry because their priority is to maintain profits for the overseas shareholders by releasing product sent by their parent companies in New York and London. Token expenditure on Australian artists - predominantly local Sydney acts - is usually ineffective as they are also effected by the monopolistic stronghold of 'The Company'.

Something must be done now to allow competition back into the industry at a business level so that Australian music can drag itself out of the artless abyss of mediocrity and apathy it has been forced into, but who is left to care?

It may be an exercise in futility, yet it is necessary for us all to conceive possible scenarios for change.

A. 'The Company' collapses.  
Very unlikely because the company will remain profitable irrespective of the local music scene. Key directors are wallowing in lavish perks so a split is not on the cards.

B. 'The Company' becomes a multi-national.
Concentrates on the world market thus leaving the 'grass roots' to others. If this did eventuate it would be uncharacteristic of them to relinquish any power.

C. 'The Company' becomes philanthropic.
   Under pressure they might apportion a slab of their annual budget towards worthwhile local projects. (A Clayton's solution).

D. 'The Company' becomes irrelevant.
   It has grown fat from years of huge profits and is now staffed by yes-men and non-creative personnel, who are out of touch with the new wave of artists but, when an act requires an experienced support structure. 'The Company' is still the only option. Though extremely difficult, it is occasionally possible for an act to avoid 'the companies' influence and achieve success yet, another decade of their petty power-play and non-innovative dominance is a painfully unproductive scenario.

E. The amalgamation of independents.
   No hope! The combined power of the remaining entrepreneurs would not make a viable alternative against an entrenched formidable foe.

F. International agency/management company moves in.
   Establishes local office, hires or enters into partnership with independent entrepreneurs, injects dollars, hangs in for the long haul. Should be encouraged but it is not a real possibility because of our small market.

G. Tax incentives.
   More players would enter the market and music would be on the same footing as films. 'The Company' is certain to benefit from this initiative but it must be pushed through anyway.

H. Government money injected.
   Dispersed via a new independent council direct to artists and live music promoters to subsidise performances and recording costs (PA's, tape, promotion, engineers, lights, transport, etc.). Not what is happening now with the government financed bodies where only a small percentage of the funds go to developing local bands and the rest on administration and self promotion. Big event concerts staged by government funded organisations featuring already highly financially established artists. This same situation prevails with the other Government funded bodies.

I. Anti monopoly legislation enforced.
   In America, the land of free enterprise and capitalism, it is illegal for related companies or individuals to receive commission from several areas
of an artist's income. Record companies cannot manage artists, booking agencies are not allowed to operate music publishing companies and so on. This is not currently illegal in Australia.

Forty years ago, an entertainment conglomerate dominated the music industry in the U.S.A. - in the same way 'The Company' does here - via an agency/management base. They exclusively represented most of the major stars - musicians and actors - which gave them enormous power over the media, live music venues and film companies to such an extent that the government of the day eventually introduced new laws to break up their structure after several court cases exposed their monopolistic position.

This is the big solution for Australia. If the laws do not exist here, inscribe them now!

Can you think of a better way to open up the entertainment industry and allow free enterprise activity?

It could be argued by some readers that winning is the bottom line and that the tactics employed by the company are no worse than those of businessmen in other fields to ensure success. Even assuming this point of view is valid there is surely a limit to power and monopoly where is the line drawn.

Although it may not seem apparent to casual observers right now, be warned the nursery is dead! New acts are not emerging to replace current stars. This company has been very successful at creating an empire but the directors have never been known for their musical tastes, artistic direction or developing new talent, they relied on a vital music scene that no longer exists and the scores of creative people who made it tick at a grass roots level.

This article is a matter of historical fact that will hopefully provoke urgently needed debate. We can either ride this lumbering state of affairs through the ninety's until one day in the distant future the masses rise up and discard their cloak of indifference to the champion Australia's unique home grown heroes again, we can steer it into a much easier renaissance.

It is up to you, so act now if OZ music is worth saving.
FOOTNOTE

'The Company' trades as:

Boomerang Music
Premier Artists
The Harbour Agency
Mushroom Records
Melodian Records
The White Label
Liberation Records
Mushroom Music
Frontier Touring Company
Michael Chugg Management
Three Stooges Management
P.A.C.E. Entertainment
Michael Gudinski Management (MGM)
Australian Tour Merchandising
21 Century Pier Hotel
The Palace Nightclub
SEA-FM
White Hot Records
Mushroom Exports
Steve Copeland Management (silently)
Inc others...

Head Office: 9 Dundas Lane, Albert Park, Victoria
Managing Director: Michael Gudinski
Other Directors of various companies above include:
Frank Stivala, Philip Jacobsen, Sam Righi, Michael Chugg, Gary Ashley, Terri Blamey, Ian Meldrum, etc.

Circulated anonymously, undated.
MUSHROOM'S EVOLUTION

CONSOLIDATED ROCK ARTIST MANAGEMENT & BOOKING AGENCY MoYR ROAD PRESTON Morecambe ST JOHN VICO DIRECTORS: MICHAEL GORDON -- JOHN BARKER -- BILL BARKER -- DENISE SMITH -- GARY ASHLEY -- MARSHALL HARRIS -- RAY EVANS -- STEPHEN STOLMAN -- RAY WILLS

RAY EVANS A.E.E. Robertsons Avenue, St Kilda, Victoria

Gary Ashley A.A.E. - Archie Strode, St Kilda, Victoria

Terry Blamey A.A.E. - Archie Strode, St Kilda, Victoria

Barry Earl A.A.E. - Archie Strode, St Kilda, Victoria

Glen Wheatley A.A.E. - Archie Strode, St Kilda, Victoria

Neil Bradbury A.A.E. - Archie Strode, St Kilda, Victoria

Gerry Eldridge A.A.E. - Archie Strode, St Kilda, Victoria

Steve Smith A.A.E. - Archie Strode, St Kilda, Victoria

Denise Smith A.A.E. - Archie Strode, St Kilda, Victoria

Michael Gordon A.A.E. - Archie Strode, St Kilda, Victoria

Drum Management & Booking Agency

1970 - 1975

1976 - 1980

1980 - 1990 DECADE OF DOMINANCE
Appendix 2

Community Music

This project provides a selective overview of community music across Australia. The research was undertaken with Australia Council funding at the Centre for International Research on Communication and Information Technology (CIRCIT), Melbourne. The project was initiated by the Community Arts Network (Victoria).

Over a period of two months interviews were conducted with community music facilitators/mediators, or 'change agents in the field', as the Beed Report curiously termed them (1986: 5.1). These people are either responsible for conducting programs of community music in one location, or several locations, serving different constituencies and meeting different needs. Eight men and six women were interviewed. (An interview with the female precinct coordinator of Waverley Council, Sydney is not included in the above figures).

Research Methods

The intention of the project was to cast a net over a representative sample of projects from all states and territories in Australia (the ACT was unintentionally excluded). The case studies were based on intensive, structured, one-off, person to person interviews aimed at generating maximum information about programs in each location. Owing to funding limitations, of a total of 14 interviews, seven were conducted by telephone and seven face to face.

Telephone interviewing is an inferior information gathering method, when compared with face to face interviews. Interviews are also inferior, in the total scheme of research methods when compared with other research strategies, such as data collection, participant-observer methods, (action research), combined with traditional academic textual analysis. The interview method relies on subjective, first hand information, based on measurable data (e.g. the precise amounts of funding available and their sources) and impressionistic observations based on other available data such as program guidelines and brochures. Ultimately the interview transcripts provide the raw material for textual analysis of the programs under consideration.

The questions for the interview were organised after consultation with Stephen Costello, Community Arts Network and Jim Koehne of Arts Victoria. Each section attempted to generate relevant comments in line with the aims and objectives of the project.

The aims of this project included an examination of the unique characteristic of community music in Australia. Some nodes of inquiry were as follows: Community music

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as a means of cultural development; The dimensions and permutations of community music; How much community music activity occurs without any state support; New or innovative developments that can assist with future planning.

The people interviewed were selected by the researcher with advice from Stephen Costello, Michael Roper, Gillian Harrison and Jim Koehne. All the people interviewed were involved with publicly funded projects. Those interviewed were:
Peter Winkler: Bondi Pavilion Community Cultural Centre, Sydney;
Hernan Flores: Kara Llantha, National Music Ensemble, Sydney;
Bev McAlister: Dandenong Ranges Music Council Incorporated, Melbourne;
Florenz Ronn/Fiona Studdert: radio 3CR, Melbourne;
Bill McPherson: Djurabalak Aboriginal Musicians Cooperative, Brisbane;
Sarah Moynihan/Chris Anderson: Feral Arts, Logan City, Brisbane;
Linsey Pollak: Scienceworks Museum/freelance musician;
Shirley McCarron: Performance Tasmania Incorporated, Devonport;
Keith Preston: Adelaide Community Music;
Kavisha Mazella: The Joys of the Women, Fremantle;
Madge Fletcher: Alice Springs Trades and Labour Council Solidarity Choir;

After completing the interviews and the transcriptions the following process was agreed upon. Each of the interviews would be a case study, written up in a reportage style, along agreed upon themes. Those themes are:
- History.
- What is community music?
- Music Culture
- Styles/Values
- Programs and Participation
- Resources
- Outputs/evaluation

Not all the interviews provided equal amounts of information in each category. However, by organising the collected material along these lines, it was possible to identify the issues, concerns and developments in contemporary community music.

The project was bigger than expected. The dimensions of interviewing, transcribing, correcting and organising material was too ambitious given the available time. Nevertheless, transcriptions and a brief report were prepared and presented in draft form at Sending the Sound Around Conference, the fifth national community music conference held at Footscray Community Arts Centre, Melbourne on April 3-4, 1993.
Appendix 3

Ausmusic
Memorandum of Association of the Australian Contemporary Music Development Company Limited

1. To assist the development of the contemporary music industry in Australian in ways which will complement and enhance the activities of the private, corporate and government sectors.

2. To promote and enhance Australia's image as a major centre for the development and production of contemporary music.

3. To encourage international exposure and markets for Australian contemporary music and facilitate international experience for young Australian performers, producers and technicians.

4. To promote, arrange and conduct in Australia, contemporary music events with particular emphasis on live audiences, young people and alcohol-free venues.

5. To promote the manufacture of musical instruments and equipment in Australia, and the use of Australian musical products.

6. To encourage and facilitate investment in, and support for, research and innovation in the production of contemporary music.

7. To provide or facilitate provision for the production and performance of Australian contemporary music.

8. To assist young contemporary music artists to produce demonstration tapes and master tapes for recording purposes.

9. To foster the creation of opportunities for young Australians in all aspects of education and training, production, performance and promotion of contemporary music, including the provision of scholarships and international fellowships.

10. To liaise with and promote information sharing between, all organisations involved in the production or promotion of contemporary music, and between these organisations and bodies outside the music industry.

11. To liaise with union and industry groups involved in contemporary music with a view to promoting a just work environment for all industry participants.

12. To seek and co-ordinate sector funding for the development of contemporary music generally and for particular events and purposes.
13. To manage a trust fund to receive grants, donations, sponsorship and bequests.

ORGANISATIONAL CHART FOR A.C.W.D.C. - potential affiliates and subscribers

Record Companies
Publishers
Recording Studios
APRA
AMCOS/IRAPAL
Australian Rock Company
Public Broadcasting Concert Production
ARIA
E.M.A.
WA IT
Musicians Union
Fellowship of Musicians
Actors Equity
Theatrical Employees
Individual Acts & Management
Australian Copyright Council
Promoters
Instrument Manufacturers
Australian Music Centre
Booking Agents
Radio Stations

INCOME
D.E.E.T
Dept of Arts
Dept of Tourism
Commercial Sponsorship
Donations

Blank Tape Levy - to take effect after 1989.

Educational Institutions
Ex. Northern River C.R.E.
(Aust Cont Music Institute)
C.R.E.'s, TAFE Colleges
Special Training Centres

State Education Departments

Australian Contemporary Music Development Company.

J.J. Network

Expert Music
Australia.

AUSTRADE

Office of Youth Affairs

National Arts Industry Training Committee

Dept of Apprenticeship

State Organ

Dept Industry Training & Resources

Victorian Rock Foundation

The Push

Dept Arts/W.A. Music Union

W.A. Rock Co-ordinator

Dept of Arts

Youth Bureau

Dept of Industry

Other State Groups
as they are
established

Chart as supplied
by interviewee
Pete Steedman

OTHER COMPANY DATES
Peak Council for the Industry
Promotion of Industry
Lobbying of Govt thesis
Funding
Formation of Industry Policy
Formation of Training Policies
Co-ordinating Secretariat
Information Centre
Establish Instrument Industry
References


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The position held within the company at the time of the interview, is recorded.


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Paul Dickson, MD, Polydor Australia, 1992.

Allan Fells, chairman PSA, 1993.


Denis Handlin, MD Sony Music Australia, 1993.

Gwen Harlow, Department of Communication and the Arts, 1992.


Julie Owens, Australia Council Project Officer, 1993.


Stuart Rubin, MD, BMG Australia, 1993.


Graham Stephen, ABC-TV Producer, Interview 1993, Phone Interview, 9 April 1996.

David Watts, former CEO, AMCOS, 1992.

Australian Labor Party Archives: Boxed documents

Boxed sets of ALP archives from the period under review are collected in the State Library of Victoria. Box numbers referred to in the text are a set of Victorian and Federal ALP documents given to the library by the Victorian State office. An ad hoc cataloguing system has been applied to them. The documents had not been itemised or collated onto a cataloguing database at the time the thesis was concluded in July 1996.
The Australian Labor Party fund raising barbecue

What's making you cry comrade? Is it the smoke in your eyes? Is it because the coleslaw fell in the pool or is it some other little thing which is too sad to talk about?