

Regulation is evil: An application of narrative policy analysis to regulatory debate in New Zealand

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Abstract. Using findings from research on the implementation of telephone number portability in New Zealand, we demonstrate how narrative analysis can account for how particular influence stories, or policy narratives, come to dominate the policy process. In this paper, we extend the concept of metanarrative, which to date has been interpreted as a story that policy makers use to recast policy problems. Policy metanarratives are shown to have strong pre-figurative effects and to be more pervasive than previously recognised.

Introduction: Narrative policy analysis to date

In the first issue of this journal, Lasswell (1970) outlined the need for the policy sciences to be multi-disciplinary and innovative. According to him, the problem-focused nature of the field requires the policy scientist to synthesise a diverse range of ideas and analysis techniques. Importantly, the policy scientist must bring to the policy process a creativity that enlarges the conceptual map of any given policy problem. Consistent with this mandate, we seek to extend recent attempts to apply narrative epistemologies to the analysis of policy conflicts.

The narrative perspective, which derives from linguistics, the literary arts, and constructivism (cf. Gergen, 1985; Riessman, 1993; Schwandt, 1994), holds that meaning is a highly contextualised, locally constructed phenomenon that relies heavily on language. Jerome Bruner (1990; 1991) takes this a step further, arguing that narrative is one of two basic ways people use to apprehend the world, the other being the 'logico-scientific.' Unlike the logico-scientific mode, narrative knowing assumes that individuals perceive the same world differently depending on their values, interests, and histories (Kilduff and Mehra, 1997; Riessman, 1993; Winslade and Monk, 2000).

Following this same line of thinking, discourse and narrative approaches to policy analysis assume that language does not simply mirror the world, but instead shapes our view of it in the first place (cf., Fischer and Forester, 1993; Roe, 1989, 1994). Once the importance of language in constructing policy issues is recognised, policy debate becomes more than just interplay between logics, or arguments – it becomes a competitive contest between discursive frameworks (Edelman, 1971), one where attention to language becomes critical (Rifkin et al., 1991; Parsons, 1995). Policy analysts are no longer rational, neutral observers; rather, they are contestants jockeying for position using

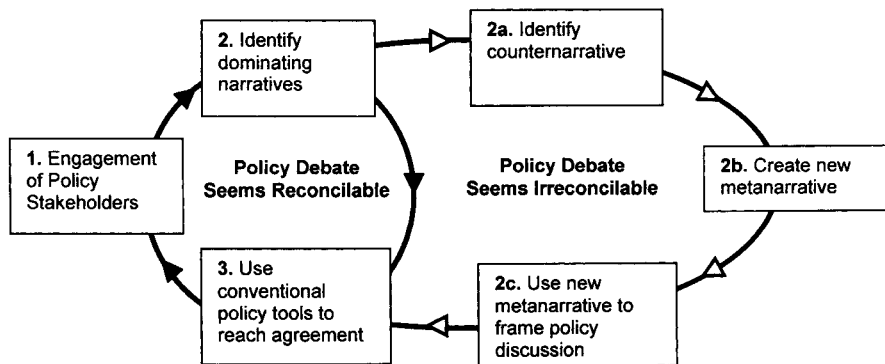


Fig. 1. Roe's (1994) model for policy reconciliation.

rhetorical means to champion their positions. Accordingly, policy problems – and especially contentious ones – may end up being incompletely specified or conceptualised (Wolman, 1981).

Within narrative policy analysis as developed by Emery Roe (1989, 1994), problem specification (or its lack) is further tied to the fact that stories used in describing and analysing policy issues are a force in themselves and not ‘just a story.’ Policy narratives often resist change or modification even in the presence of contradictory empirical data because their tightly storied characterisations, metaphors, and emplotments continue to underwrite and stabilise assumptions for decision-making. Where issues are relatively uncontested, decision makers follow steps 1, 2, and 3 as depicted in Figure 1. When positions on an issue are particularly polarized and resistant to change, however, Roe (1994) suggests the following procedure (again, see Figure 1): identify the policy narrative(s) that dominate the policy issue in question (step 2). Next, identify the policy narrative(s) that run counter to the dominant story (step 2a). Next, compare the two sets of narratives to generate a new *metanarrative* to which conflicting parties can agree – the metanarrative can be thought of as a superordinate frame that joins two otherwise incommensurable positions (step 2b). Then, Roe proposes that policy makers determine how the metanarrative recasts the problem in a way that makes it more amenable to policy discussion using conventional analysis techniques (steps 2c and 3).

The metanarrative as Roe has applied it serves to distance its listeners from their original stories – it acts as a departure device. While we applaud Roe's contribution, we question whether his use of the metanarrative concept should simply be limited to ‘antidote’ status. According to Borman (1985), Jackson (1999), and others who have discursively studied the emergence of social movements, metanarratives not only serve as derivative texts, but as foundational frameworks, archetypally inspiring or shaping those narratives which are built on their shoulders. Borman (1977), for example, has shown how many American approaches towards calamity derive from a Christian root narrative of

'fetching good out of evil.' Similarly, Banta (1993), Merkle (1980), and Monin and Barry (2000) have demonstrated how the mechanistic precepts of Taylorism were unified by, and achieved popularity through their ties with a Christian metanarrative of damnation, crusade, and salvation. Thought of this way, the metanarrative concept might be used within policy analysis to better understand why and how existing policy frameworks have arisen, and why certain policy decisions develop in seemingly contradictory and irrational ways.

Methods

To explore the possible application of metanarrative theory to policy analysis, we undertook a comprehensive narrative study of an existing policy problem, namely the debate over telephone number portability in New Zealand. The number portability debate, which centres around whether individuals should be allowed to retain their phone numbers when they switch providers, has provided an opportune arena for conducting narrative policy analysis – the debate has been highly contentious, involving many publicised accounts, insider stories, numerous legislative appeals, and a variety of corporate actions. As well, the issue may also have relevance for other countries that are beginning to deregulate their telecommunications industries. Because New Zealand was the first member of the Organisation for Economic Cooperation and Development (OECD) to introduce full competition on all sectors of telecommunications (OECD, 1999), the debate being carried out there may be a harbinger of things to come elsewhere, especially given recent OECD concerns over the slowness of implementing number portability in the EU (OECD, 1999).

Our primary data collection methods consisted of in-depth interviewing and archival data gathering. Roe (1994) recommends that in conducting narrative policy analysis, interviews should be open-ended and geared towards letting the interviewee tell his or her story. We chose a relatively unstructured interview approach, supplemented by an interview guide that contained five to seven broad questions. To facilitate analysis, all interviews were recorded and transcribed verbatim and in full. Our interviewees included corporate relations directors from each of the corporate players, two journalists who have been primarily responsible for reporting on this issue in New Zealand, and several government officials directly responsible for making policy decisions within this arena. Of all the respondents contacted, only one declined to be interviewed, resulting in a reasonably comprehensive set of accounts.

According to Hodder (1994), archival records provide another perspective on data collected or available in spoken form. Archival texts provide historical insight and provide a record of actions or behaviours. We collected extensive documentary evidence of the number portability dispute, in the form of media reports, press releases, position papers, speech transcripts, and official reports. In all, 134 articles were analysed, as well as two television items that appeared on a national current affairs programme. Two discussion documents were

obtained from the relevant government ministries and submissions to government from key players in the dispute were obtained under New Zealand's Official Information Act. Finally, four speeches made by Members of Parliament relating to the policy issue were obtained from government archives. Taken as a whole, the data set contains the perspectives of all key players involved in the dispute, both in written and spoken form.

In analysing the data, we drew heavily from the rhetorical analytic methods developed by Fairclough (1989), Foss et al. (1991) and McCloskey (1986). As well, we assessed the consistency between the key players' stories and publicised accounts of their actions. Within the field of rhetorical analysis, a number of schemes and tropes can be identified, including hyperbole, paradox, alliteration, metonymy and antithesis. Of these, the trope of metaphor is especially valuable for identifying underlying themes. Inasmuch as metaphors bridge both the frame at hand and alternate frames, close study of metaphoric patterning can allow the analyst to more easily pinpoint the existence and trajectory of a metanarrative (cf. McCloskey, 1986: pp. 69–86). Metaphor-guided thematic analysis can also be used to trace power dynamics within a given policy discourse. As Monin and Monin (1997: p. 57) state, 'those who will control the metaphors will ultimately control the action: and those who change the metaphors will ultimately change the action.'

In the sections that follow, we begin by setting out the portability issue, noting the primary actors, motives, and actions to date; as will be seen, the debate has a 'David and Goliath' character, with several small players attempting to topple a very large, dominant player. Next, we present a synopsis of the stories told by small players, followed by the large player's story. We then discuss the 'regulation is evil' metanarrative which appears to underlie many of the players' stories and actions. Finally, in light of our findings, we consider how Roe's metanarrative concept might be applied more broadly to policy analysis.

Number portability as a policy issue

From 1984 to the early 1990s New Zealand undertook a major reform of the mechanisms used to govern the economy and public administration. Easton (1994) suggests these reforms are the closest in the world to the pure application of 'economic rationalism,' broadly defined as the doctrine that markets deliver better outcomes than states and bureaucracies (Pusey, 1993).

Although the reforms can be seen as part of an international movement towards market liberalism, they were unique in the speed and extent of their application. The speed of the reforms was made possible by the lack of checks and balances in New Zealand's political system. New Zealand has no written constitution, no upper house, and no federal structure (Easton, 1994). New Zealand's 'economic experiment' was hailed by the World Bank, the Organisation for Economic Co-operation and Development (OECD) and other like-

minded guardians of the global economy as an example for the rest of the world (Kelsey, 1995).

Within this regulatory shift, telecommunications legislation was enacted to allow any person meeting certain minimum requirements to supply telecommunications services (Adhar, 1995; Leonard, 1991) – New Zealand maintains no industry-specific regulation for entry into the telecommunications market. The intermediate stage adopted overseas, partial deregulation together with monitoring by an industry-specific regulator such as OFTEL (U.K.) and AUSTEL (Australia) was leapfrogged. Instead, the Commerce Act 1986, New Zealand's general competition law, has been relied upon to safeguard against monopoly problems (Adhar, 1995; Ministry of Commerce, 1998).

With the emergence of telecommunications competition, concerns were soon raised about aspects of the national telephone numbering management arrangement. Competitors require access to numbering resources to provide telecommunications services and have expressed frustration over the availability of access to numbers. Frustration has been greatest on the issue of number portability, which allows customers to switch from one provider of telecommunications services to another without having to change their telephone numbers. Having to change numbers is a disincentive, particularly for businesses, because of the costs involved in changing advertising, signage and company stationery.

Number portability is widely regarded as the largest outstanding obstacle to a fully competitive telecommunications market in New Zealand. In 1998 the Minister of Communications stated that the

availability of telecommunications numbers is an essential part of enabling effective competition. Entrants to the marketplace need more certainty of access to numbers so they can provide competitive services. (Williamson, quoted in Jackson, 1998: p. 33).

Competition, however, is not an end in itself. The aim of a competitive market is to accrue benefits to consumers and the former does not necessarily imply the latter. MacAvoy (1996), based on research of the United States telecommunications industry, argues that a focus on improving competition through complex regulation has failed to deliver consumer benefits. Conversely, research in New Zealand indicates telecommunications competition has been good for the consumer. Spiller and Cardilli (1997: p. 134) concluded that competition has had 'striking results on the price and quantity of service,' with the former state provider's average toll rates declining 31 percent in real terms between 1991 and 1996. A 1995 Ministry of Commerce study showed the overall price of the basket telecommunications services declined at an annual rate of 2.5 percent over the same period (Ministry of Commerce, 1995). Results such as these have driven the Government's desire for a more competitive telecommunications market.

In 1991 The Ministry of Commerce, which advises the Minister of Commu-

nications on telecommunications policy, concluded that Telecom, the former state-owned provider, was able to use its control of the numbers as a competitive barrier (Ministry of Commerce, 1991). The following year, the Ministry acknowledged that these problems were not foreseen when the industry was deregulated (Ministry of Commerce, 1992). As a result, an industry-dominated advisory body including Telecom and its major competitors was established to co-ordinate numbering issues. Telecom's competitors believe the incumbent has deliberately delayed the implementation of number portability, arguing that the requirement for members of the advisory body to reach a consensus means Telecom can effectively block progress. In response, Government has repeatedly threatened to intervene and regulate numbering disputes, however it has not carried out the threat.

Undoubtedly, greater government involvement would encourage a more timely resolution of the issue and would thereby remove a significant barrier to the development of competition. This would assist government in meeting its policy objectives. So why hasn't it happened?

In researching the issue nationwide, we identified two stories competing for dominance over policy making on number portability: one told by Telecom, the other by its competitors. We identified the stories by tracing metaphoric patterning and observing how this was reflected in themes (see Table 1). The identification of these key themes was based on the frequency at which they occurred within the data. Although the symbolism contained within the competitors' story is vivid and the plot compelling, it has generally failed to alter how policy makers have constructed the number portability issue.

Policy narrative #1 – the competitors' story

The story told by Telecom's competitors portrays the incumbent as a tall, cadaverous figure stalking its prey, seeking to maintain control of the industry by throttling competitors with a vice-like grip around the throat. The story says that Telecom uses its power and influence to delay the introduction of number portability and thus, delay the benefits of competition to consumers. Only new competitors can serve the consumer interest, but they can't do it alone. They need Government intervention to counter this abuse of power and create a competitive environment that enables smaller firms to compete on a fair basis. At present there can be only one victor – Telecom.

The effect of the rhetoric used in the competitors' narrative is to mask their self-interest in a prompt resolution to the portability issue. The competitors have the most to gain from the implementation of portability, because it removes one of the major barriers to competition. The competitors believe that once full portability is available, they will at least have a fighting chance of being able to slash Telecom's market share. While the competitors' self-interest is obvious, it was often concealed behind the argument that the implementation of number portability is logical. One company representative commented:

Table 1. Key themes in the stories of the number portability debate.

THE COMPETITORS' STORY	TELECOM'S STORY
"Portability is <u>logical</u> and therefore inevitable"	"Portability is Desirable"
"We're doing this <u>for the consumer</u> "	"We're doing this <u>for our customers</u> "
"Telecom is <u>exploiting the consumer</u> "	"We are <u>fighting</u> for the interests of all New Zealanders"
"The government must create a <u>level playing field</u> "	"This is not a <u>game</u> , <u>it is a science</u> . Government must act in accordance with economic efficiency."
"We are the Kiwi <u>battler</u> in a <u>David and Goliath</u> confrontation"	"We are a <u>Kiwi company</u> and <u>what is good for us is good for New Zealand</u> "
"The competitive environment is a <u>wild-west</u> "	"Our competitors are <u>rational investors</u> . They understood the competitive environment before they invested"
THE METANARRATIVE	
"Regulation will <u>creep and entwine</u> the industry"	
"Government mixing with business creates an <u>allergic reaction</u> "	
"We don't want to be <u>marched down the road</u> to government regulation"	
"Regulation is a <u>burden</u> on the industry"	
"There's no such thing as intelligent regulation"	
"Regulation is <u>evil</u> and should be avoided at all costs"	

Bellsouth have done a lot of good research into why we should have some sort of numbering administration and so on and their belief was that by producing a logical presentation, that the Minister would accept that and do something. They've obviously come to be very frustrated.

Self-interest was also concealed by the story line that consumers demand number portability. In a submission to the Ministry of Commerce, one of the competitors, CLEAR Communications, stated:

a Research Solutions survey confirms that there is a consumer (both business and residential) desire for choice, provided they are able to keep their number. We challenge the government to facilitate giving consumers choice (CLEAR, 1998: p.3).

The morality-based rhetoric, a distinctive feature of the competitors' story, is that consumers have become victims of Telecom's control over the industry. One respondent commented,

The laissez-faire situation that there is in New Zealand will only really come under pressure from the public when they do perceive that large monopoly concerns are a kind of rape and pillage and they are the victims.

The competitors' attempts to conceal the benefits that will accrue to them from full number portability is useful rhetoric but unlikely to guarantee policy influence because policy makers are well aware of where the interests lie. To be influential, the competitors must develop a plot line that is sufficiently compelling for a reluctant government to take action. Their attempt at this is built on the root metaphor of 'business is a game.' Although the metaphor begins with this simple sentence, it has grown a number of shoots which, taken together, construct the issue in a way that opposes Telecom's construction.

The competitors' story is focused around the metaphor of the 'level playing field.' This imagery is used to persuade policy makers that the current competitive environment is unfair and therefore in need of modification. A fundamental aspect of sports games is that the competitors literally have a level playing field, so that no competitor is disadvantaged relative to another. The competitors claim that the competitive environment in telecommunications is tilted towards the incumbent, which prevents them from competing fairly. They say they are caught up in a game that they have no chance of winning, through no fault of their own. A company representative stated,

We certainly assume we don't have a level playing field... A level playing field for us is where you have an efficient company that on its own merit deserves to be successful and that the environment allows them to be so. Contrast that with a company that is hugely efficient and should be very successful and yet its entire business, its market share is governed, regulated,

controlled by the competitor ... you're in a position where your entire business future is in the hands of your competitor.

If the playing field is perceived as not being level, public sympathies are likely to lie with the underdog. Telecom's competitors have attempted to elicit this sympathy by presenting themselves as New Zealand companies in the image of the 'kiwi battler,' in the hope that it will translate into policy influence. New Zealanders readily identify with the underdog, given that the country's small size and population means it is often in this position when it comes to competing in the international arena. A supporter of the competitors' position commented,

The culture around CLEAR is that it is a New Zealand company. Telecom is owned by the Yanks and is out to screw you for everything it can get. It's the David and Goliath thing and I think that in New Zealand that carries huge amount of weight in the media.

In conclusion, the competitors' story is that government intervention is required to hasten the implementation of full number portability. The story goes something like this: The New Zealand telecommunications environment is a game without rules. The incumbent is a law unto itself because it has run the referees off the field. The incumbent is delaying the implementation of portability in a desperate attempt to retain its dominance over the industry and continue its foul plays against consumers. Only new competitors can save the consumers from this, but they cannot do it alone. They need government's hand to make the competitive environment a fair one. At present there can be only one victor – the incumbent.

The behaviour of the competitors throughout the number portability dispute are consistent with this storyline. CLEAR, a key competitor, presented itself as the consumer-advocate by commissioning a survey that showed consumers desire portability. BellSouth's frustration at the lack of progress on the issue peaked in May 1998 when it quit the number portability advisory body over what it perceived as the failure of the group to effectively administer numbers. The body can only make decisions by consensus, meaning Telecom can veto moves by its competitors to hasten the introduction of number portability. BellSouth has made numerous appeals for help from government to reduce Telecom's dominance.

The competitors' story could be described as a tragedy, because despite the belief by those promoting it that the implementation of portability is the only logical and just outcome, those advising on, and making policy decisions have yet to be convinced. Policy makers have favoured the policy narrative promoted by Telecom.

Policy narrative #2 – Telecom's story

Telecom's story represents a very different world-view. Whereas the competitors' narrative portrays entrepreneurs as heroes who take risks and challenge the might of established business, Telecom's story portrays them as rational investors who make investment decisions based on facts and careful analysis, not emotions. In this story, whether the playing field is level is largely irrelevant, as are questions of fairness. Rational investors are not swayed by emotion. They make logical, calculated decisions. It is a sterile world, far removed from the hero and villain script distributed by the competitors.

Whereas the competitors' story draws on the metaphor of 'business is a game,' the key theme underlying Telecom's story is that 'policy making is a science.' Telecom's story is replete with words that dominate the language used by policy makers operating within the functionalist paradigm. Telecom's argument is 'objective,' whereas the argument put forward by competitors is 'subjective' (Telecom advisor). Telecom wants 'decisions consistent with economic efficiency' whereas the competitors want 'privileges' and 'handouts.' (Telecom advisor). Those supporting Telecom's story are 'perceptive and far-sighted,' while those critical of Telecom's position are 'patently self-interested' (Telecom corporate relations director). Claims from competitors that Telecom has acted unfairly are 'laughable,' because they are 'sensible commercial organisations' that assessed the market conditions in New Zealand before commencing business (Telecom corporate relations director).

The use of this pro-rationality vocabulary diverts attention away from the notion that Telecom, like its competitors, is telling a story that it wants policy makers to accept as the basis of decision-making. Their story uses a different vocabulary and a different array of rhetorical techniques, but it remains a story nonetheless.

The crux of Telecom's story is that while portability is desirable, government must not intervene to make it happen. They have attempted to convince policy makers of this by characterising policy making as scientific, as opposed to ideological. The story says that the scientific test of any policy proposal is its effect on economic efficiency. By prioritising efficiency, promoters of this policy narrative pretend to be presenting objective truths rather than engaging in political and subjective debate. According to two advocates of Telecom's position,

Regulators do not necessarily get rewarded for making the most objective decisions consistent with economic efficiency. They do have an incentive to make decisions which generate public support, please their political masters and demonstrate that they have teeth (Kerr and Wilkinson, 1998: p. 12)

The appeal to objectivity serves a rhetorical function because it disguises the self-interest of the incumbent. It reduces policy making from a complex, value-laden process to a matter of applying an objective formula. To provide support for their claims of objectivity, those promoting Telecom's story attempt to

connect their preferred policy outcomes to the national interest. Not only is government intervention in the portability debate ‘wrong,’ it is ‘bad for New Zealand’:

As a matter of public policy, the cost to the country of mandatory solutions could be considerable as such intervention could lead to inefficient investment... Present economic conditions must be viewed as extremely fragile, and we believe the impact on international investment in New Zealand of government intervention in the telecommunications industry; or indeed, even the public suggestion of such a move; would be resoundingly negative (Telecom, 1998: p. 1).

The part of the story never fully explored is *which* New Zealanders will benefit from a market-driven resolution to the portability issue, because presumably it will not be everyone. It won’t be the competitors, perhaps not even the customers. It seems no coincidence that Telecom has the most to gain from a non-interventionist approach by government.

In conclusion, if Telecom’s story were believed, government intervention in the portability debate would not only be undesirable, but actually dangerous. The story goes something like this: Sure, number portability is a good thing, but it must be implemented in a way so that all New Zealanders benefit. The guiding principle of efficiency will lead the nation to the optimal solution and that solution is for the market to determine. Efficiency is the only objective criterion on which to make policy decisions. To do otherwise would be to sacrifice the national interest for the pursuit of the narrow self-interest of lobby groups. Issues of morality and justice raised by the new entrants should not be used as the basis for decision-making. They knew what they were getting into when they came to New Zealand, and the government should not intervene merely to make life easier for them.

The behaviour of Telecom throughout the dispute has been consistent with this storyline. It has been reluctant to enter to debate of any sort, arguing instead that policy making is a matter for government rather than industry competitors. Its most tangible involvement has been the production of technical reports illustrating the impacts on economic efficiency of government intervention. Telecom has rejected BellSouth’s criticism of the advisory body as ineffective.

Explaining Telecom’s dominance – the metanarrative

To date, policy makers have accepted Telecom’s construction of the portability controversy rather than that put forward by its competitors. This is evident in the course of action government has chosen, which has been in line with Telecom’s preferences. Telecom has warned against government intervention and to date government has not intervened. Undoubtedly, greater government involvement would encourage a more timely resolution of the issue and would

thereby remove a significant barrier to the development of competition. So why hasn't it happened? Why hasn't the competitors' narrative been more influential, given statements from the telecommunications industry that the policy goals of competition and a better deal for consumers are being delayed?

After listening to all the main spokespersons involved in the number portability dispute, we began to hear a third story being told, which explained the government's failure to act. It also explains the competitors' failure to have their construction of the issue adopted by policy actors as the basis for decision-making. As with the previous two stories, we analysed the appearance of metaphoric devices within the data and based on a frequency analysis, used this to locate key themes (see Table 1). We knew this third story was significant because we confronted it at every turn, no matter which policy narrative the participant was committed to. The story was about an evil force called regulation, and is summarised in this quote from a senior government official who has been involved since the issue's inception:

There is an underlying assumption among officials and Ministers, and it's kind of a reaction to people's perceptions as opposed to the actuality of New Zealand's so-called dark regulatory past that regulation is an inherently evil thing and you should avoid regulation at all costs. And I think that sort of flavoured the government's reaction to telecommunications regulatory issues. That is, regulation is basically an evil and you should really avoid it if at all possible, rather than take a more measured approach and say well, 'Yes regulation can have some really bad side effects but let's have a rational look about what could reasonably be regulated in the interests of consumers without destroying incentives or distorting markets.'

The story was about how regulation had gripped New Zealand until 1984, stifling enterprise and costing the country its economic prosperity. In the old days regulation was introduced for specific purposes, but like a weed it spread out of control, creeping its way throughout the policy process and capturing those who made the decisions.

The fascinating thing about this third story was that almost everybody involved with the number portability issue believed it. Telecom did, and so did its competitors. Officials advising policy believed it, and so did the politicians making the final decisions. Even members of the media, believing themselves to be critical and objective, were telling the same story.

The belief that regulation is evil fits Roe's (1994) and others' definition of a metanarrative, in that it has become an assumption, albeit a tacit one, on which decision-making and the discussion of alternatives has been based. This shared assumption has reduced the credibility of the competitors' story and given support to Telecom. The consensus that regulation is undesirable explains the government's reluctance to act. Unsurprisingly, those that do not want the government to intervene in the portability controversy reveal a bias against regulation. It was surprising, however, to see this bias also reflected in the

language used by those wanting government intervention. In analysing the language used to describe regulation, the connotations were predominantly negative. For example, an implicit bias against regulation is contained in this statement from a competitor representative:

I would say Saturn, and all of the other new entrants don't want to go back to the bad old days... The way New Zealand was structured in the early 80s certainly did not produce efficiencies that were passed down to consumers. We are not looking for a lot of regulation ... all we want is a little bit of fine tuning

This request for 'fine-tuning' seems inconsistent with the vivid imagery of the competitors' policy narrative. In addition, the reference to efficiency as justification for his view on regulation uses the language of Telecom's story rather than that of a David versus Goliath situation. It probably is more efficient if Goliath continues to dominate David, but wasn't the competitors' story about playing the game fairly rather than more efficiently? The language used by the competitors reveals a bias against regulation, which has reduced the credibility of their pro-portability narrative.

Another competitor representative, in discussing actions government could take, commented on recent government moves to regulate the electricity industry to enhance the level of competition

The government is moving very harshly in regard to the electricity industry to break it up structurally and to, almost in a Stalinist way, to savagely define it so that it can't operate in a way that Telecom has operated.

The links between government regulatory initiatives and Stalinism connote a transition from economic freedom to oppression, not the reverse as we expected from someone who has been critical of the 'wild-west' nature of New Zealand's telecommunications industry.

There is also an inconsistency between the competitors' story and their preferred course of government action. Given that this respondent had accused Telecom of the 'rape and pillage' of consumers, we expected he would support government regulation to stop this alleged heinous crime. Instead, his organisation wants changes to the legislative structure (in terms of tougher competition laws) rather than an industry-specific regulator, which is the norm internationally. Thus, there is a marked incongruity between the construction of the competitors' story and their preferred policy initiative.

Another respondent, heavily critical of Telecom's dominance of the industry stated that

My understanding is that New Zealand is operating far more effectively from a telecommunications perspective than any other marketplace and that's certainly what you'll hear from government as well. Maybe I've just been brainwashed.

Although this last statement was said in jest, this is essentially the point we are making. The competitors have been unsuccessful in convincing government to help their cause because they are deeply suspicious of government regulation. Thus, while the competitors have put forward rational and logical options for moving the number portability issue forward, they have failed to challenge, at a fundamental level, Telecom's story that government intervention is an uneconomic model. This is despite their vivid narrative being built on the need for government to rescue David from the omnipresent Goliath. The metanarrative explains this phenomenon. The bias against regulation has formed the basis of decision-making on number portability and undermined the plausibility of the competitors' story. It is analogous to complaining of a horrible crime but then not wanting the police to get involved to try and solve it.

Finally, it was also evident that government analysts and officials subscribed to the metanarrative. Despite the acknowledgement that the absence of portability represents a barrier to competition, policy advisors have been primarily concerned with the efficiency effects of any government initiatives. Based on this criterion, they have avoided regulation. The fact that regulation could have a redistributive function has been accorded little value, as illustrated by this response from a senior Ministry official to competitor claims of an uneven playing field.

I'm not really certain what a level playing field comes down to in economic terms. It's merely a statement that doesn't actually reflect how policy outcomes are ... or good policy necessarily runs. I'm not saying the playing field isn't level, but I don't think it's a useful way to actually approach policy.

Are there competing explanations for government's reluctance to intervene and regulate a solution to the number portability problem? Perhaps. However, on reflection, none appear to have the same explanatory power as that of the metanarrative.

One explanation is that government's response is rational and logical and based on objective policy analysis. This is unconvincing since the government's noninterventionist stance is a primary cause of its failure to deliver on its objective of a more competitive industry. A regulated solution to number portability would undoubtedly hasten its introduction.

The rational approach to policy analysis is typified by Macrae's (1980) definition of policy analysis as 'the choice of the best policy among a set of alternatives with the aid of reason and evidence' (p. 74). The weakness of this approach in explaining the actions in the portability debate concerns how the policy problem is defined. There is agreement among the key players that number portability represents the issue, but there is no agreement over what problem is represented by that issue. Telecom has constructed the problem as one of efficiency. In stark contrast, Telecom's competitors perceive number portability as a problem of equity, or what they see as an inequitable situation at present. From this perspective, it is naive to assume that the facts

will speak for themselves in defining the problem arising from the portability issue.

Another explanation for Telecom's seeming success in neutralising competitor influence attempts is that Telecom, as the largest company, has more resources to invest in lobbying government ministers and officials. Certainly, there are connections, with Telecom chief executive Rod Deane also being vice-chairman of the Business Roundtable. During the 1980s and 1990s, the Business Roundtable had a close relationship with Government and is credited as being the driving force behind New Zealand's path to deregulation (Harris and Twiname, 1998). However, whether Telecom has actually spent more money trying to influence the outcomes is debatable. Though financial expenditures of the various players on the portability issue have not been made available, what is known is that Telecom commissioned economic research to support its argument that Government should not intervene. As a counter to this, however, the frequency and scope of pro-portability advertising conducted by the competitors has considerably exceeded anti-portability advertising by Telecom, possibly suggesting a balanced level of spending.

What remains unexplained by an examination of spending patterns is why Telecom, the competitors, and the government remain utterly deadlocked on the issue, despite all the expenditures, government threats, and fervently expressed wishes by all parties to see the dispute ended. The competitors remain unwilling to have government officials arbitrate, the officials themselves remain wary of intervention, and Telecom supports government's hands-off stance even as they complain to government about the competitors' unwillingness to concede, implicitly suggesting that government should do something. In the face of these actions and inactions, the force of the anti-regulatory metanarrative still seems the best explanation for the stalemate.

Discussion

Linking our findings back to Roe's (1994) earlier work, we see some parallels as well as some ways in which his theory might be elaborated. In particular, Roe (1994) argues that developing a critique of existing policy is an ineffectual way of challenging a policy narrative. Attempting to subvert it empirically only increases uncertainty, which creates further pressure to retain the policy narrative being critiqued. According to Roe, a better way to undermine a policy narrative is to create a counter-narrative, which runs counter to a controversy's dominant policy narrative. A second tactic is to engage other dominant narratives that happen to run counter to the narrative being disputed. The discredited policy narrative will only change once more than a critique comes along to replace it.

Our analysis of the number portability debate supports Roe's theorising – up to a point. Telecom's competitors originally invested considerable resources into marshalling empirical evidence to subvert the dominant narrative and,

consistent with Roe's theory, their power to influence policy remains confined to the margins – Telecom's story about the importance of efficiency continues to dominate the minds of policy makers. Next, the competitors created a counter-narrative that constructed the portability controversy differently (and in many respects opposite) to Telecom's construction. The competitors' story prioritises issues of equity rather than a concern with efficiency and says that creating a level playing field is important. The competitors *have* created a narrative that is compelling and challenges the dominance of Telecom's narrative. Applying Roe's theory, they should have gained significantly more policy influence than they have.

To offer an explanation, we have expanded on Roe's (1994) concept of the metanarrative: despite the construction of a compelling counternarrative, the competitors' unexamined acceptance of the anti-regulatory metanarrative has reduced their influence over the policy process. If we accept that metanarratives can have powerful prefigurative effects, as seems to be the case here, a question arises about how this knowledge might be used. Roe's concept, as we discussed earlier, applies metanarratives in a post hoc sense; that is, as a new path that embattled players might subscribe to. If instead policy stakeholders find that a metanarrative is operating in a prefigurative way, conditioning the thinking of all involved, what can be done?

Our suggestion would be to add another step to Roe's model. Where a policy issue has become overly contested and stalemated, policy analysts should ask whether there is a pre-metanarrative which is arresting the discussions (see Figure 2).

If such a metanarrative is discovered, the next step could be to bring in Roe's (1994) idea of the counternarrative, asking whether there are other ways this premetanarrative might go (step 2b in Figure 2). Are there, as White and Epston (1989) have conceptualised, 'unique outcomes' – moments where the pre-metanarrative has transpired differently? Applied to the present case, this might entail analysts (both corporate and government) looking for times when regulation was not an evil. Have there ever been instances of regulatory processes that worked well? What were the characteristics of this unique outcome – what kinds of attitudes and motivations were involved, what action sequences transpired, and what were the various effects of these actions? According to narrative mediation theorists Winslade and Monk (2000), detailing the unique outcome in this way is crucial – the amplification turns it into a counternarrative that has some hope of standing up to the stalemating premetanarrative.

Following this, stakeholders could then be asked how the pre-metanarrative might change if this new counterpoint narrative were brought to bear. If some of the counterpoint's attitudes, actions, framings, etc. were substituted for those in the metanarrative, could the stakeholders imagine anything transpiring differently? Regarding the portability debate, perhaps corporate players remember a time where good policy happened more through the presence of regulatory bodies rather than through any actual regulatory legislation that was passed. Amplified, this might be turned into a counternarrative of 'Some-

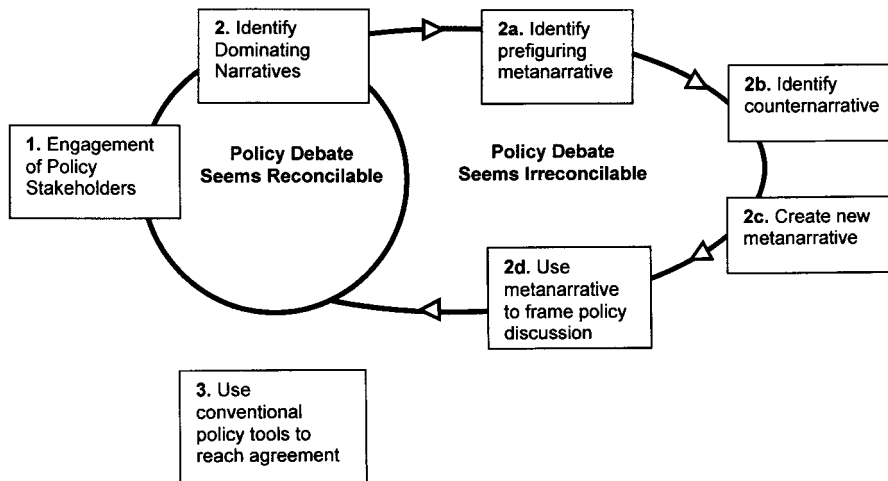


Fig. 2. Extended model for policy reconciliation.

times regulation is good,' and, translated to the current situation, perhaps governmental representatives could be used as process facilitators in discussions between corporate players.

According to narrative mediation theory, the next step would be to imagine the outcomes of this new narrative – what would be different and would these differences be desirable? To the extent that they are, could the parties agree to trialing this new narrative? (see steps 2c and 2d in Figure 2). If in asking the original question – 'Is there a pre-metanarrative operating?' – the answer is no, then analysts could simply adopt Roe's framework as is.

So far, we have discussed policy conflicts arising because of an 'avoidant' metanarrative – in this case, 'Regulation is evil and we must avoid it at all costs.' The opposite is also possible, where there is a pre-metanarrative about something being so good that it cannot be given up. As an example, research conducted by Cook and Barry (1995) found that policy change attempts by small business owners failed in part because of adherence to a pre-metanarrative which said 'Individualism is sacred and must be retained at all costs.' Respondent stories that centred around this metanarrative typically portrayed the small business owner as a rugged lone wolf who only came to town to buy supplies and had little to do with others otherwise. This underlying orientation made getting collective agreement and action virtually impossible – business owners were as likely to distrust one another as they were the government regulations they were trying to fight.

Thus, we see that pre-metanarratives can stymie action in more ways than one. Future research might be directed at exploring the different ways in which pre-metanarratives appear and the effects they have. For instance, under what conditions might a pre-metanarrative have minor vs. large effects? We might

expect that prefigurative events that have had extreme effects would lead to high impact metanarratives. Here, Telecom had a history of going from being extremely regulated to virtually the opposite, making the 'Regulation is evil' narrative especially salient for them.

Taking this a step further, we might ask about the effects of historical isomorphism on metanarrative adoption; for instance, stakeholders with different regulatory histories (low isomorphism) might be less subject to pre-metanarrative influences than those who have experienced the same regulatory events. Borman's (1985) work would suggest that the older a metanarrative, the more pervasive its effects will be (his 'fetching good out of evil' was found operating shortly after the U.S. was founded and was shown to have progressively greater effects over time). Barry and Elmes' (1997) research into strategic narratives would suggest the opposite. Given their arguments that metanarratives go through 'saturation cycles,' it might be that the older a metanarrative is, the less appeal it has.

A related line of inquiry might be directed at the impact of organizational size on pre-metanarrative adoption. In the present research, Telecom was influential in spreading the 'Regulation is evil' narrative; given their history of being run as a regulated state organisation, regulation was deeply evil. Though the competitors bought into the story possibly to their own detriment, we wonder what might have happened if all players were equal in size. Without a large stakeholder present, would the premetanarrative have been either less salient or more amenable to change?

Finally, questions might be asked about characteristics of pre-metanarratives that hinder or help. Returning to the Cook and Barry (1995), for example, we can imagine that things might have gone differently had stakeholders subscribed to a pre-metanarrative of 'Help your neighbour' rather than 'Individualism is sacred.' At the same time, the present research suggests that the usefulness of a solidarity theme depends on where that solidarity is directed. Perhaps subscription to a theme of valuing diversity would have fostered innovation which could have led to changes in the process.

Conclusion

As mentioned earlier, definitions of policy problems are necessarily ambiguous. In the minds of policy makers who defined the portability problem as one of economic efficiency, they would assess their continued refusal to regulate as a success. At a practical level however, it has been a failure, because the timely introduction of number portability has not eventuated, and all agree that the lack of portability remains a key obstacle to the development of competition in telecommunications. The embeddedness of the metanarrative helps explain this policy failure and suggests how such narratives can shape the definition of, and response to, policy problems.

Our research highlights the importance of the need for policy analysts to

identify the core assumptions on which decision-making is based. Equally important is creating an awareness for how those assumptions are embedded in, and are affected by the rhetorical devices being used. Narrative policy analysis with a focus on rhetorical processes, can provide a useful approach. Following Winslade and Monk (2000), we can imagine that rhetorical attention to the metaphoric characterisations, storyline sequencing, and assignment of agency (and victimhood) could be useful throughout the policy process. Practically speaking, however, narrative analysis of this sort is most likely to be of benefit when negotiations have broken down. In particular, where discussions are foundering on seemingly insignificant points, an inquiry into whether a pre-metanarrative is operating could prove helpful, allowing stakeholders to rise above the minutiae at hand and gain a deeper perspective on the issue.

In addition to the theory-building directions suggested earlier, a challenge for future research is to develop a practical methodology for conducting this form of analysis. Extending the framework presented in Figure 2 could entail becoming more explicit about who should be doing this kind of analysis, when and where it should be conducted, the kinds of metaphors and other tropes that might be searched for, how deconstructionist techniques might be used to identify what is being silenced in a policy debate, and about how counternarratives and new metanarratives that arise from the process might be enacted.

In the first number of this journal, Lasswell made a call for policy scientists to discover creative ways of conceptualising policy problems (Lasswell, 1970). In this article, we offer another way forward. We are not suggesting that our application of narrative analysis replace more conventional forms such as statistics and economics. Rather, we would hope it could play a complementary role in helping policy analysts to understand both the overtly obvious and the camouflaged, subliteral dimensions of policy processes.

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