

**NO MORE THAN COMFORT?**  
**A LOGICS APPROACH TO THE 'GRIP' OF COST-BENEFIT ANALYSIS IN A  
NEW ZEALAND PUBLIC POLICY DECISION**

BY

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## ***ABSTRACT***

**Abstract:** This study explores an apparent paradox: cost-benefit analysis (CBA) requires a series of highly subjective decisions to calculate, yet is employed for its perceived objectivity. The dominant view of CBA in the academic and policy literature is as a neutral technology, offering an objective resolution to difficult resource allocation problems. However, this view has been much challenged, with long-standing and still-unresolved debates on CBA's technical calculation and methodological approaches, as well as critiques of its underpinning socio-political assumptions and its consequences. Drawing on the literature considering accounting as a form of discourse, this study investigates CBA and its discursive use in the debate between 2006 and 2008 around the public policy decisions regarding New Zealand's public funding of Herceptin (trastuzumab) for early HER2-positive breast cancer ('the debate'). The repeated use of cost and CBA in arguments by the participants in this debate was striking, with both those for and those against funding appearing to regard CBA as especially authoritative. This authority – even dominance – of CBA in public policy decision-making has been addressed from several perspectives, but its affective (embodied, emotional, non-cognitive) dimensions remain under-explored. This study addresses that gap through a qualitative documentary analysis employing the post-structural critical discourse-theoretic approach of Glynos and Howarth's Logics of Critical Explanation (LCE) framework (Glynos, J., & Howarth, D. (2007). *Logics of Critical Explanation in Social and Political Theory*. Abingdon, Oxon: Routledge). It offers the following contributions: (a) it provides knowledge of how CBA is presented, positioned, contested, and defended in the Herceptin debate; (b) it generates a genealogically-inflected understanding of how these have come about; (c) it offers an explanation for CBA's 'grip' (continued authority despite its difficulties); and (d) it proposes some alternative presentations, positionings, contestations, and defences of CBA.

## *FORMATTING NOTE*

<Code> denotes a term used as an NVivo node during coding (see Chapter 5). Where necessary for grammatical reasons, I have altered word parts, for example to <coding> or <codes>.

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*“The human brain quails when confronted with such proliferating vastness. We think we have a grasp of it, brandishing our numbers ... in the face of all that’s inestimable, but truthfully these resources are mere talismans, not practical tools. A comfort, no more.”*

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*~ Iain Banks, Transition*





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## List of Abbreviations & Acronyms Used

AHB	Area Health Board
BC	Breast cancer (used in coding)
BCAC	Breast Cancer Aotearoa Coalition
CaTSoP	Pharmac’s Cancer Treatments Subcommittee of PTAC
CBA	Cost-Benefit Analysis
CEA	Cost-Effectiveness Analysis
CPC	Corps des Ponts et Chaussées (French public works engineering corp)
CUA	Cost Utility Analysis
DA	Dialogic accounting
DoH	Department of Health
FCA36	(US) Flood Control Act 1936
FDA	Food and Drug Administration (US)
FL	Fantasmatic logic
HHS	Hospital and Health Service
IMF	International Monetary Fund
LCE	Logics of Critical Explanation
LoD	Logic of difference
LoE	Logic of equivalence
MoH	Ministry of Health
NICE	National Institute of Health and Clinical Excellence (UK)
NPM	New Public Management
NPV	Net Present Value
NWH	National Women’s Hospital

NZ	New Zealand
NZF	New Zealand First
PA	Positional Analysis
PAR	Participatory Action Research
PDT	Post-structuralist discourse theory
PFA	Public Finance Act 1989
PFI	Public Finance Initiative
PFPA	Prescription for Pharmacoeconomic Analysis
PL	Political Logic
PTAC	Pharmac's Pharmacology & Therapeutics Advisory Committee
QALY	Quality-Adjusted Life Year
SL	Social Logic
SSA	Social Security Act 1938

## 1. Introduction

*[T]here is no alternative to CBA [cost-benefit analysis] if one wishes to tell whether any project is worthwhile (Brent 2007, 21)*

### 1.1 Meet TINA, a.k.a. ‘there is no alternative’

Is cost-benefit analysis (CBA) really the only way to decide on a project’s usefulness? The New Zealand Treasury (Treasury) seems to think so, for it requires all public policy proposals to be assessed using CBA “or similar techniques” (2005, 3) and it requires any recommendation at odds with such analysis to be justified with “specific reasons why [it] has been overridden” (ibid, 40). Treasury’s ‘CBA Primer’ document defines CBA as:

*A systematic process for identifying and assessing all (both direct and indirect) costs and benefits of a proposal ... allowing the calculation of the net benefits of different proposals as a basis for evaluating alternatives” (ibid, 46)*

Thus CBA is claimed to provide evidence for decision-makers to compare alternatives on a like-for-like basis, through a systematic, objective, and comprehensive review of costs and benefits, that may be confidently used to inform rational decisions, and so lead to outcomes that “make[...] a significant positive contribution to the economy and society” (ibid, 3). Yet others contend that “CBA can be used to justify almost any conclusion” (Fischer 1990, 168), and the long-acknowledged and still-unsettled difficulties with CBA, not least the subjectivity inherent in the number of judgements and estimations made in preparing a CBA, is at odds with this presentation of CBA as a rational, objective tool, as well as with its authority – even dominance – in public policy decision-making. It is this subjectivity-objectivity paradox I investigate in this study, through exploring how CBA is employed by participants in public debate around one decision, namely whether Herceptin would be publicly-funded for early breast cancer in New Zealand (NZ).

This remainder of this chapter briefly summarises these literatures, identifies the key research objectives and questions underpinning my study, and outlines the organisation of the remainder of this thesis.

### 1.2 Wherefore TINA? The ‘grip’ of CBA

The apparent simplicity of CBA – subtracting costs from benefits to arrive at a net figure – hides multiple difficulties extensively explored in prior literature. These range from technical and methodological issues, such as measuring intangibles and discounting techniques (e.g. Walker et al. 2011; Hall 2011); how it is applied in practice (e.g. Trumbull 1990; Frank 2000); and critiques

## Chapter 1 - Introduction

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of its underlying assumptions and socio-political impacts (e.g. Martinez-Alier 2001; Corner House 1999). Nevertheless, even those who oppose CBA often use or appropriate its language (see, for example, the sustainability assessment modelling (SAM) proposed by Bebbington (2007)), suggesting that CBA's dominance still prevails in some ways, even for its critics<sup>1</sup>. This, along with CBA's subjectivity-objectivity paradox, suggests that rationality alone<sup>2</sup> cannot adequately explain the priority that CBA, with all its difficulties, retains in decision-making.<sup>3</sup> These difficulties would suggest that its use invites caution and not uncritical prioritisation. Hence my study addresses why CBA has so much 'grip', or persuasiveness. In other words, I consider why CBA carries such weight in decision-making, over and above that which its difficulties should allow.

CBA relies on accounting calculations, principally of cost but sometimes also of benefits, and so considering CBA as part of accounting's meaning-making system opens it to analysis as a form of discourse, as conducted with other aspects of accounting. For example, Belkaoui (1978) attributes the effects of accounting on investment behaviour to its linguistic properties, whilst Hines (1988) and others (e.g. Arrington and Schweiker 1992) consider its role as both communication and communicative: discourses that help make things intelligible within a given context and organise that context. Ahrens and Chapman (2007) draw on Hopwood (1987) to comment on the visibilities this creates through perceptual biases and their consequences, and accounting calculations have been shown to have "profound impact[s] on both organisational and social practice" (Llewellyn and Milne 2007, 818).

This literature demonstrates that accounting (and so CBA) creates visibilities that permit action, with consequences wider than their immediate context as they "structure the cognitive practices of social groups ... [and] bias social perception" in predictable ways (Ahrens and Chapman 2007, 4-5), such as reinforcing the assumed primacy of shareholders' interests. Scholars have also addressed other accounting assumptions and consequences, arguing that accounting and its technologies (such as CBA) have attained dominance through, inter alia: helping construct individuals as 'governable persons' (Miller and O'Leary 1987); and by "set[ting] norms for 'proper' behaviour and 'desirable' outcomes" (Chua 1986, 625). Accounting thus has a disciplinary function, which links it to the exercise of power and hegemonic<sup>4</sup> influence on both minds and

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<sup>1</sup> This is not to argue that CBA's 'grip' is uniform, total, or that it grips everyone in the same way and to the same degree, as CBA's critics (e.g. Martinez-Alier 2001) increasingly argue for alternatives, only that it maintains *some* sort hold or persuasiveness, which may be positive *or* negative.

<sup>2</sup> This is not to suggest that CBA's dominance is *irrational*, only that it has other aspects.

<sup>3</sup> This question – why is accounting so widely perceived as objective and neutral given the subjectivity of its creation and the influence of socio-political factors? – underpins much critical accounting research. My study, whilst focusing on CBA, thus has broader applicability to other accounting technologies.

<sup>4</sup> Henn et al. (2009, 204) define 'hegemony' as "the achievement of power by consent, rather than force". Hegemonies principally serve the interests of a dominant group, but are accepted as legitimate by others. Counter-hegemonies are similarly consensual, but offer resistance to dominant ideals.

bodies (see e.g. Cooper and Hopper 1987; Farjaudon and Morales 2013; Spence 2009; Tinker 1991).

What is underexplored in these literatures is the affective (embodied, emotional, non-cognitive<sup>5</sup>) element/s of how accounting and CBA practices gain, lose, and maintain hegemony. It is this gap that my study addresses, by undertaking a critical post-structuralist discourse theoretical exploration, informed by Glynos and Howarth's (2007) Logics of Critical Explanation (LCE), of the public discourses surrounding CBA during debates on whether NZ would publicly fund Herceptin (trastuzumab) for early HER2-positive breast cancer ('the debate').

### **1.3 De-centring TINA, or Restoring CBA's Radical Contingency: research objectives**

As outlined above, the dominant view of CBA in the academic and policy literature is that it is a neutral technology, offering an objective resolution to problems of making difficult resource allocations. However, CBA-in-practice entails a number and range of estimations, judgements, and assumptions that question this neutrality and objectivity. The "difficult questions" (Wiseman and Jan 2001, 199) raised in the practice of CBA have been addressed from several perspectives, but its affective (embodied, emotional, non-cognitive) dimensions remain underexplored. Accordingly, my study addresses this gap by investigating the grip of CBA on public-policy decision-making through taking LCE's 'logics approach' (Glynos and Howarth 2007) to its use by participants in the public debate around funding Herceptin (trastuzumab) for early HER2-positive breast cancer in NZ between 2006 and 2008. Two elements of that debate were striking – the use of mass media as sites of contestation, and repeated use of cost and CBA in arguments by participants. These arguments reflect the broader debates around CBA and different manifestations of its grip, making it suitable for addressing the research objectives below:

1. characterising, understanding, and critiquing the logics of CBA in the debate,
2. bringing out the multiple 'voices' in the debate, and
3. encouraging CBA to be 'held more lightly'

I address the objectives by posing five related research questions:

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<sup>5</sup> Wetherell argues for considering 'affect' as "embodied meaning-making" (2012, 4) bringing together two established connotations of 'affective', emotion and the forces or relations of change.

- RQ1. Where is CBA present in the debate between 2006 and 2008 around funding Herceptin for early HER2-positive breast cancer in NZ? How is it presented? What role/s does it play?
- RQ2. How has this positioning come about?
- RQ3. How is CBA contested and defended in the debate?
- RQ4. How can we account for CBA's continued 'grip'?
- RQ5. How could CBA be otherwise? What other presences, presentations, and roles could CBA have had in this debate? How else could CBA have been contested and defended?

I investigate these questions through a qualitative documentary analysis case study of the discourses of CBA present in publicly available items from the debate (see Chapter 5 for details) that takes a logics approach (see Chapter 4) employing the critical post-structuralist discourse theoretic 'lens' of LCE (Glynos and Howarth 2007).

Having outlined the literatures, objectives, and research questions underpinning this research, I turn now to summarising the remaining eight chapters of this thesis.

### 1.4 What Lies Ahead: chapter overview

**Chapter 2** establishes a history of the Herceptin debate as a first step in addressing RQ2 – How have the positionings of CBA in the Herceptin debate come about? It begins with a presentation of the debate's chronology, setting out the major events and milestones, before continuing with a genealogically-inflected history of the debate's surface of emergence' (Foucault 1972). More than simply providing context, in this chapter I honour LCE's post-structural ontological presupposition that "an object's identity [meaning] is conferred by the particular discourses or systems of meaning within which it is situated" (Glynos and Howarth 2007, 109; see Chapter 4) and I "address[...] the emergence and descent of the discourse[s]" (Hook 2005, 28) of the debate, by laying out what I consider key elements of its past.

These elements include NZ's short, three-year government term and major political upheavals in the 1980s and 1990s, which I argue normalised the use of CBA in the public sector and thence neoliberal values prioritising the economy, efficiency, and rational choice. I continue with a brief

outline of the history of public healthcare in NZ, to show that health has long been politically sensitive. There have been several common discourses, including fairness, doctors' professional autonomy, and cost that have sometimes conflicted with the discourses of efficiency and targeting, but at other times have associated with them. Finally in this chapter, I outline further elements of the debate's context, to ground my later discussion in its historical specificity. These cover: the political climate at the time of the debate; the 'unfortunate experiment' at the National Women's Hospital (NWH) and how this is linked to the transformation of patients into health consumers; the technological development of Herceptin; short histories of two major debate participants (NZ's Pharmaceutical Management Agency (Pharmac) and Breast Cancer Aotearoa Coalition (BCAC)); and a brief look at the role the media take in reporting on health.

**Chapter 3** reviews relevant literature in three parts. In the first, I outline the uses and limits of CBA, showing how its adherents argue it can assess disparate options through systematic, objective comparison to inform rational decisions and produce optimal outcomes, before tracing how its many "difficult questions" (Wiseman & Jan, 2001, p. 199) make such claims problematic. In the second, I offer a genealogically-inflected (though necessarily partial) history of CBA in public policy decision-making, demonstrating how this sought to replace overtly political bases for resource allocations with objective ones, but ended up 'black-boxing' those same subjectivities into an appearance of objectivity through quantification. In the third part, I summarise literature that considers accounting as a form of discourse, showing that the underlying assumptions of accounting and its technologies, including CBA, reflect the social norms and political choices of its construction. I also demonstrate how these engender lived effects such as the disciplinary function of "set[ting] norms for 'proper' behaviour and 'desirable' outcomes" (Chua 1986, 625) which link it to the exercise of power and hegemonic<sup>6</sup> influence.

**Chapter 4** examines a logics approach, Logics of Critical Explanation (LCE) developed by Glynos and Howarth (2007), which was the framework for theorising the understandings I generate from my study. It outlines its main theoretical constructs, and justifies why I chose this framework. Post-structuralist discourse theory (PDT), of which LCE forms one 'branch', offers a way of understanding meaning as discursively constructed through struggles between competing groups seeking their narratives to be accepted and acted on as 'true'. PDT links post-structuralist linguistics with psychoanalysis to offer an account of how identities form, are sustained, and changed through discursive meanings and the dialectic operation of lack, desire, and *jouissance*

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<sup>6</sup> Henn et al. (2009, 204) define 'hegemony' as "the achievement of power by consent, rather than force". Hegemonies principally serve the interests of a dominant group, but are accepted as legitimate by others. Counter-hegemonies are similarly consensual, but offer resistance to dominant ideals.

## Chapter 1 - Introduction

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(embodied emotion or affect). LCE builds on these foundations to give an account of how responses to events that disrupt taken-for-granted assumptions – termed *dislocations* – may be interrogated and categorised on two axes, ethical-ideological (attentiveness to radical contingency) and political-social (degree of public contestation). This helps explain how discourses gain, keep, and lose consent (hegemony). Finally, I show how three inter-linked and mutually constitutive logics within LCE can articulate a critical explanation of the ‘what’, ‘how’, and ‘why’ of regimes and practices that describe, explain, and critique responses to dislocations and the regimes and practices to which those responses relate. The three logics are: social logics, which characterise the practice or regime (the ‘what’); political logics, which relate to the drawing (and re-drawing) of the boundaries of social logics (the ‘how’); and fantasmatic logics, which account for the ‘force’ of the other two types of logics by linking them with the affective experience of *jouissance* (the ‘why’).

In **Chapter 5** I explain my research strategies (methodological choices) and why they are appropriate for addressing the research questions outlined above, are consistent with the theoretical framework in Chapter 4, and provide the empirical results in Chapters 6, 7, and 8. I begin by introducing the ‘retroductive circle’ of three interlinked and mutually-influencing objectives (problematism, retroductive explanation, persuasion and intervention) of PDT/LCE research which “seek[s] to render a problematised phenomenon *more* intelligible” (Griggs and Howarth 2013, 46, emphasis added), rather than produce a definitive ‘solution’. As part of this, I discuss the importance and role of reflexivity in LCE research and the strategies I implemented to incorporate this into my study. I justify my choice of a case study approach by arguing that case studies permit a linking of in-depth specifics with broader, more general logics and so help shed light on both. I follow this by detailing how I constructed my research archive, why I chose to use documentary analysis as my key strategy, and how I approached coding my material. I conclude this chapter by laying out Glynos and Howarth’s (2007) ‘method of articulation’ in seven steps (problematism, characterisation of practices, genealogy of practices, articulation, critique, evaluation, and intervention), to explain how they combine theory with empirical elements and a problematised phenomenon to generate a singular critical explanation of that phenomenon, making it more understandable.

**Chapter 6**, the first of three empirical results chapters, addresses the first two parts of RQ1 and begins addressing RQ3 by showing how participants characterised, presented, contested, and defended CBA in their arguments for and against funding Herceptin. I analyse how participants’ articulations of elements with the same or similar meanings formed a hegemonic characterisation of CBA, whilst those articulated into other, conflicting meanings were used to contest and defend CBA. The final part of this chapter addresses the final part of RQ1 by drawing on the roles of



accounting information proposed by Burchell et al. (1980) to examine the roles CBA played in the debate.

**Chapter 7** builds on my analysis in Chapter 6 and the genealogical history in Chapter 2 to address RQ4. It develops a ‘proto-explanation’ (see Chapter 5) for CBA’s grip in the debate by analysing the logics at play within it, particularly the fantasmatic logics (see Chapter 4, Section 4.4.3) and their likely resonances with their audience(s). I begin by exploring the lack(s) that debate participants were attempting to fill, then I explore logics associated with its hegemonic characterisation (see Chapter 6). I then return to addressing RQ3 – how is CBA contested and defended? – by building on my analysis in Chapter 6 drawing on participants’ struggles to close different meanings of CBA within the conflicting characterisations, presentations, and roles of CBA are linked to fantasmatic logics in play within different narratives offered by participants to augment that proto-explanation. Finally, in Section 7.3, I categorise six contestations of CBA in the debate using LCE’s typology of demands (Glynos and Howarth 2007) to consider whether they represent demands that challenge or reinforce CBA’s grip.

**Chapter 8** addresses the three parts of RQ5: how could CBA be otherwise?; what other presences, presentations, and roles could CBA have had in this debate?; and, how else could CBA have been contested and defended? Here I critique the logics from Chapter 7 from a normative standpoint of dialogic accounting (DA) (see Section 8.1.1 for more on this) and for the LCE-specific ‘ethical’ critique concerned with the extent to which these logics “acknowledged and tarried with” the “radical contingency of social reality and identity” (Glynos and Howarth 2007, 111). I then combine these critiques with the articulations of Chapter 6 and the logics of Chapter 7, to disrupt and unsettle the certainty of the hegemonic characterisation of CBA and its contestations by generating counter-logics that reactivate its radical contingency and could, if adopted, help move CBA toward a more dialogic form.

Finally, in **Chapter 9** I conclude this thesis by summarising the main findings of Chapters 6, 7, and 8, identifying my study’s contributions and limitations, and highlighting some opportunities for future research before concluding with some reflections on its implications.



## 2. On the Surface of Emergence of the Herceptin Debate

To make sense of the Herceptin debate and the ‘grip’ of CBA within it, we must first situate it genealogically. To omit this would be to fail to honour LCE’s post-structural ontological presupposition that “an object’s identity [meaning] is conferred by the particular discourses or systems of meaning within which it is situated” (Glynos and Howarth 2007, 109; see Chapter 4). In other words, I must detail the debate’s ‘surface of emergence’ (Foucault 1972). The purpose of this chapter, then, is to establish a history of the Herceptin debate as a first step in addressing RQ2 – How have the positionings of CBA in the Herceptin debate come about? I do not claim this chapter forms a ‘full’ Foucauldian genealogy<sup>7</sup>. Rather, it offers a genealogically-inflected history prioritising the three ‘facets’ of genealogical analysis – **discontinuity**, **specificity**, and **exteriority** – elaborated by Hook (2005). Thus it aims to “address[...] the emergence and descent of the discourse and procedures” (ibid, 28) of CBA as it featured in the Herceptin debate.

By prioritising these three facets, I aim to “emphasize the historical contingency of contemporary practices, and to debunk the apparent permanence of the present” (Miller and Napier 1993, 633). Taking each facet in turn, focusing on **discontinuity** prompts an analyst to resist “projecting current discursive values, norms, [and] preoccupations” into the historical record being analysed (Hook 2005, 10) and to avoid regarding the present as simply the culmination of past events. A focus on **specificity** prompts her to “throw off ‘the sovereignty of the signifier’” and “oppose [...] preordained meaning, notions of the truth of inner substances, [and] given essences of meaning”, in favour of “the precise *materiality of its practices*” (ibid, 10, original emphasis). Focusing on **exteriority** entails abandoning the idea of “a supposed ‘nucleus’ of signification” to be found within a discourse in favour of “identify[ing] the various overlapping forms of support which both enable and limit the discourse under study, and in the absence of which certain discursive statements could not have been made” (ibid, 10). Thus, following Hook, I endeavour to emphasise the discontinuous, the role of chance, and the ‘surface’ conditions of possibility.

This chapter takes the following form: Section 1 sketches a chronology of the debate, whilst Section 2 offers genealogically-inflected histories of some elements I consider key in the debate. I begin this section with the NZ system of government, followed by how public spending decisions

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<sup>7</sup> This is for several reasons. One, what follows here is based almost entirely on secondary sources, with few primary sources that would “preserve a sense of the procedural sensibility” (Hook 2005, 29: f7) of CBA or the other debate elements. Two, it was not possible for me to amass the “vast amount of documentary historical data [that] needs to be collected” to develop a genealogy (ibid) within the time and resources I had available. Three, such a genealogy is beyond the scope of this study, concerned as it is with the ‘grip’ of CBA in a particular debate. However, I suggest that a genealogy of CBA would form a useful contribution to the literature – I was unable to find such a study despite extensive searching (although see Nicola (2016) for a genealogy of CBA within the specific context of trans-Atlantic trade regulation) – and suggest this as future research.

are made. I follow this with a discussion of the NZ healthcare system, before giving some specifics of the debate's context. Section 3 concludes the chapter with a summary of the other sections.

### 2.1 Chronology: what happened during the Herceptin debate?<sup>8</sup>

In December 2005, Roche Pharmaceuticals, manufacturer of the monoclonal antibody Herceptin, applied to Pharmac for public funding of 12 months sequential treatment of early HER2+ breast cancer with the drug. Herceptin was already in use for metastatic HER2+ breast cancer, but not yet approved in NZ for the early form of the disease<sup>9</sup>. Around then, stories began to appear in the media about the new 'wonder drug', its high cost, and the lengths to which patients would go to access it (see Chapter 6).

In May 2006, Pharmac's advisory committee recommended that Roche's application be declined, saying there was "insufficient evidence to justify a funding recommendation" (PHARMAC n.d.-b, 1). Two months later, Pharmac, in consultation with District Health Boards (DHBs), accepted this recommendation and declined Roche's application, a decision condemned by campaigners. Media coverage continued, with Herceptin's high cost a major theme.

In August, the advisory committee began considering funding a nine-week concurrent<sup>10</sup> treatment option, then in October, its sub-committee recommended that, in the absence of funding for a 12-month treatment option, treatment of nine weeks would be clinically "reasonable". The main committee recommended in November that the nine weeks option should be funded as a "high priority" (PHARMAC n.d.-b, 1). After consultation and analysis, Pharmac agreed in April 2007 to fund the recommended nine-week course from 1 June 2007, another controversial decision. Campaigners began to argue for the 'full' 12-month course to be funded, citing other countries that do so and claiming cost motivated Pharmac's decision (see Chapter 6).

In late June 2007 eight women dubbed 'the Herceptin Heroines' filed a judicial review case in the High Court<sup>11</sup>, challenging the legality of both decisions and asking that they be set aside. The case was heard in February 2008 with the judge's decision released in April. Most of the group's challenges were dismissed, but one was upheld: Pharmac's consultation prior to its July 2006 decision against funding 12 months treatment was deemed inadequate. The review judge set that decision aside, ordering Pharmac to reconsider. He further ordered that "[Pharmac] does not have to recommence the entire process, but simply to consult properly" (Walsh & Ors v Pharmac &

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<sup>8</sup> For a summary of key events, see Appendix 2.1.

<sup>9</sup> Approval was granted in March 2006.

<sup>10</sup> i.e. given at the same time as chemotherapy treatment. The 12-month course was to be sequential, i.e. given after chemotherapy treatment is complete.

<sup>11</sup> For an excellent summary of this case, see Lisa Manning's (2014) chapter on NZ patient-led litigations on access to healthcare.

Anor 2008, 73). He did not set aside the decision to fund nine weeks' treatment and specifically allowed Pharmac to include the fact of this funding in its reconsideration (ibid), triggering a new round of campaigning and media coverage.

Pharmac began its re-consultation in May 2008, concluding in June. In July, it again declined funding for 12 months treatment. This decision proved more controversial than the first and Herceptin funding became a General Election issue, with the government defending Pharmac's process and the opposition promising funding if elected. November 2008 saw a new coalition government, led by the former opposition, which announced in December that 12 months treatment would be funded, backdated to the date of its swearing-in. Funding was not provided through the normal means of listing on Pharmac's Pharmaceutical Schedule (see Section 2.2.4.4), but directly from the Ministry of Health (MoH) (New Zealand Government 2008), leaving Pharmac's decision-making process (see Appendix 2.2) intact.

## 2.2 A 'pre-history' of the Herceptin debate

In this section, I discuss some of the 'pre-history' of the debate, offering genealogically-inflected histories of elements I regard as important to the debate, arguing that these – among others<sup>12</sup> – helped form its ontological and ontic conditions, shaping its course and the discourses of participants. As the debate concerned public spending, I begin with a brief overview of NZ's system of government.

### 2.2.1 Government

As a former dominion of Great Britain, many of NZ's institutions are modelled on British equivalents, including its political system. NZ has a Westminster system, with a constitutional monarchy and a single elected House of Representatives. An upper chamber of appointed members, the Legislative Council, was abolished in 1950 following tensions with the House of Representatives over its blocking or slowing down the passage of legislation (NZ Government n.d.). Parliamentary elections are held every three years, an electoral term Scott regards as "very short"<sup>13</sup> and encouraging of policy volatility (1996, 9). Although one-term governments are uncommon – only two to date have served a single term – it is debatable whether this is because of or despite their length. Indeed, an original purpose of the Legislative Council was to prevent

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<sup>12</sup> I do not claim this as an exhaustive list – I have doubtless missed many important elements – only that I regard these as important in the debate's 'surface of emergence'.

<sup>13</sup> "The duration of the term of almost all lower chambers of parliament is four or five years" and NZ's House of Representatives is one of seven parliamentary chambers worldwide with a three-year term – only three chambers serve shorter terms (Thailand's National Legislative Assembly (one year), Micronesia's Congress, and the USA's House of Representatives (both two years) (Inter-Parliamentary Union 2016)).

## Chapter 2 – Surface of Emergence

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such legislative haste (NZ Government n.d.) and the absence of the ‘checks and balances’ afforded by a second chamber was a motivation for later electoral reform, not least two referenda (in 1992 and 1993) on the topic (Renwick 2010).

Also like Britain, NZ’s political landscape has long been dominated by two large parties, namely National and Labour, although smaller parties have always been present. The traditional values of the two major parties are relevant to my discussion below so I note them here: National was traditionally a rightist party, with a policy platform based on conservative and liberal values, including individualism, personal responsibility, and a belief in the value of business and markets, whilst Labour was traditionally a leftist party, with a policy platform based on progressive and socialist values, including a strong role for the state, equality, and collective action.

Until 1996, NZ governments were elected using the ‘first past the post’ (FPP) system inherited from Britain, where the candidate with the largest vote in a geographically-defined electorate represents that area in Parliament and the party which can command a simple majority, alone or in coalition, forms the Government. This system resulted in several parliaments over the 20<sup>th</sup> century that did not reflect the popular vote, and the discrepancy between votes received and seats won (see Table 11.1 in Renwick (2010, 197)) was presented as unfair by those advocating for a form of proportional representation, arguing that this was the only way to ensure ‘fair’ representation in parliament, especially for smaller parties. Others also wanted change, but in the form of the return of an upper chamber (Renwick 2010). One interesting aspect of these calls for change for my study is the “genuine public anger at the electoral system, and the unrepresentative governments that it tended to produce” (LeDuc et al. 2008, 26). This was linked to both the ‘fairness’ argument and the ‘speed’ argument: Renwick argues that a key architect of change, Geoffrey Palmer, was motivated by a desire to see legislation slowed down to reduce the “ability of the government in power ... to dictate policy without serious consultation” (2010, 211).

Following the 1993 referendum, NZ’s voting system changed to Mixed Member Proportional (MMP), although as both Renwick (2010) and LeDuc et al. (2008) note, this was by no means a foregone conclusion, with the change resisted by many powerful players (including the majority of MPs) and it involved a closely-fought campaign. Under MMP voters cast two votes, one for the candidate they wish to represent their electorate, and a second for the party they wish to see in government. The former works as under FPP, but the latter determines the overall make-up of the House such that each political party is represented according to the proportion of party votes cast for it. The finer details of MMP are beyond the scope of this brief outline, but I wish to note that one of its effects (and probably one of its purposes) is to make it harder for a single party to control

the House, encouraging coalition governments and reducing opportunities for governments to push through controversial or unpopular policies, as both major parties have done in the past.

### **2.2.1.1 Public sector reforms**

Possibly the most contentious policies ever ‘dictated without serious consideration’ via NZ’s rapid legislative process were the economic and public sector reforms of the 1980s and 1990s. Begun by the Labour government elected in 1984 and continued by the National government from 1990, these reforms were far-reaching and radical, aimed at nothing less than “a redefinition of the role of the Government in the economy and society” (Scott 1996, 9)<sup>14</sup>. Yet the then-radical discourses of those years – prioritising “the economy, greater government efficiency, and the reduction of the welfare state” (Scott 1996, 6) – have become a new orthodoxy, with what Scott describes as “perhaps the most rapid and radical reform of economic policy and government management” in the developed world (ibid, 5) often now presented as inevitable. Such a narrative ignores the extent of protest and dispute over these ‘necessary’ changes and their consequences (see e.g. Wendy Larner's 1996, discussion of the effects on women).

Similar changes were happening elsewhere at this time, and Scott (1996) notes these as an influence, but NZ was unusual in several ways – not least that it was a Labour government that began the process. Elected in 1984 following a snap<sup>15</sup> election, the fourth Labour government entered power with a hastily-drafted manifesto, “gloriously unspecific on economic policy” (Prime Minister David Lange, quoted in James and Sallee 1986, 20)<sup>16</sup> and implemented sweeping ‘New Right’ (neo-liberal) policy changes, including liberalising financial and other markets, deregulating many industries, privatising others, changing the tax system, and reducing the welfare state. Other unusual features of the NZ changes were the speed and scope of their implementation: “liberalization in New Zealand was carried out more extensively, more quickly and showed a degree of theoretical purity that was probably unparalleled in the world” (Goldfinch 1998, 177). It is beyond my scope here to elaborate on the drivers, causes, and agents of these changes, but I wish to draw attention to the disruption created in a “social democratic, welfare state that went

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<sup>14</sup> Graham Scott is a former Treasury official and his 1996 report was written for the International Monetary Fund (IMF). I found it useful for a near-contemporary, ‘insider’s view’: Treasury was a leading proponent of the economic and other reforms of this period, and the IMF is well-known for its neo-liberal views and influential stance on liberalisation programmes such as deregulation, privatisations, and so forth.

<sup>15</sup> Called 14 June 1984, held 14 July 1984. NZ general elections are usually held in November.

<sup>16</sup> This may be an exaggeration – most, if not all, the major changes to come were laid out in Roger Douglas’ ‘Alternative Budget’ of 1980 (Peet 2012). Douglas became Finance Minister in the fourth Labour government and was a key player in the policies it implemented (see Goldfinch 1998), often collectively known as ‘Rogernomics’.

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neoliberal with a vengeance in the mid-1980s” (Peet 2012, 151) and the shock and anger with which greeted such an apparent betrayal of core Labour values<sup>17</sup>.

The ‘theoretical purity’ of the systems put in place was that of agency theory, institutionalism, and public choice theory (Scott 1996, 11-12). Shared assumptions of these theories include self-interested behaviour and rational choice, albeit a rationality bounded by asymmetric information and/or existing institutions<sup>18</sup>. Within these systems, people are seen as individuals in a zero-sum competition with each other for finite resources, which is usually taken as a sharp departure from an earlier “inclusive” and “consensual political and economic system [that] sought to appeal to, and embrace, all ‘New Zealanders’” (Lunt 2008, 409). However, as Peet points out, “the triumph of social democracy in a working class paradise” (2012, 160) was always somewhat illusory, with, for example, its marginalisation of and discrimination against Maori (Tuffin 2008). Both Scott (1996) and Goldfinch (1998) recognise the integral role of generational change in this shift, arguing that the predominately university-educated and economically literate ‘new guard’ brought different ways of thinking to the task of governing than their predecessors. The so-called “‘gimme’ generation”, raised in “affluence and security”, with “their temperament ... in tune with the psychology of individual freedom”, sought change and independence, rather than the certainty desired by those who had experienced the privations of the 1930s and World War II (James 2015, 40, 86, 92).

Whilst traditionally conservative, the leadership of the National Party elected to government in 1990 was also part of the same ‘gimme’ generation and continued to foster the same individualist spirit. Given its traditional belief in business and markets, it was probably not unexpected that the new government entrenched and then extended Labour’s reforms, aiming to “abandon[...] universal provision of services to all citizens regardless of need, in favor of targeting” (Scott 1996, 9). Such targeting needed a means of prioritising resources and soon CBA became a dominant tool within the drive to implement an over-reaching “market driven framework” (Quin 2009, 6) for all public services.

### 2.2.2 Public spending decision-making

One change made in the public sector reforms was to move government accounting to an accruals basis, under the Public Finance Act 1989 (PFA). The PFA also required departments – previously

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<sup>17</sup> This era of NZ history is extensively documented but remains deeply contentious. A readable account may be found in James (2015).

<sup>18</sup> i.e. “established values, norms, and conventions that provide implicit agreements, incentives, and restraints on individuals within complex organizations as they go about their business” (Scott 1996, 12).



only accountable to Ministers for inputs – to measure and be accountable for outputs and outcomes too. According to Scott (1996), these two changes together effectively negated the government’s former main tool in controlling departments’ spending, the ability to withhold cash, since the cash was long spent before results could be reported. Despite politicians’ rhetoric of departments taking responsibility and being held accountable for what they achieved rather than how they achieved it, the ‘solution’ imposed was to increase Treasury oversight, increasing both the quantity and the importance of the budgeting and accounting, including costing and CBA, done by departments. A stated purpose of the PFA was to “encourage effective and efficient use of financial resources” (Public Finance Act, 1989, s1A2(b)) and Treasury mandated that all public policy proposals in NZ must be assessed using CBA “or similar techniques” (New Zealand Treasury 2005, 3), as ‘encouragement’ toward that aim. This helped normalise the prioritisation of CBA in public spending decisions and by the time of the debate its use was well-entrenched. As the debate concerned funding of a healthcare intervention, next I examine the system within which decisions about that funding were made.

### **2.2.3 Healthcare system in NZ**

NZ healthcare has a complex, politically-charged history, and at the time of the debate it was emerging from a long period of frequent, often radical, change. Health is politically sensitive (Baggott 2015) and the debates and discourses discussed above also played out in the healthcare sector. To discuss this, I draw on Peter Quin’s (2009) work to highlight some of the different mixes of private and public provision that have existed in NZ at different times between 1938, when the Social Security Act (SSA) first provided for a publicly-funded health service, to 2008, the end of my period of study.

#### ***2.2.3.1 NZ healthcare pre-1984***

Debates over fairness, community, and cost have surrounded the public healthcare system from its inception under the SSA, enacted by NZ’s first Labour government. Claimed as an application of the communist slogan ‘from each according to their ability, to each according to their need’, the drafters of the SSA argued for “the care and welfare of citizens as a national responsibility” (McLintock 1966b) and the Act provided for universal benefits based on need, not ability to pay, funded from a levy on income:

*The Social Security Act introduced a new concept—namely, that every citizen had a right to a reasonable standard of living and that it was a community responsibility to ensure that its members were safeguarded against the economic ills from which they could not protect themselves (McLintock 1966b)*

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This was represented as a fundamental change from what had gone before – whilst there had been social assistance schemes in NZ for at least 40 years prior to the passing of the SSA, they operated on either an insurance basis, where benefits depended on an individual's contributions, or as charity, with payments dependent on often invasive and stigmatising means testing. The social stigma attached to these payments meant many did not access them, even in situations of dire need (McLintock 1966b). The universality of SSA benefits was argued to eliminate that stigma, although as most monetary benefits were also means-tested<sup>19</sup>, that stigma was perhaps not entirely removed. Importantly, however, the SSA also created the Emergency Benefit, a 'safety-net' benefit payable to those in need who did not quite meet the criteria for the other benefits (McLintock 1966b), embodying the 'according to need' principle. Yet this benefit, its amount<sup>20</sup>, and conditions of payment was at the discretion of the Social Security Commission (SSA 1938 s58), potentially creating new inequities.

In addition to monetary benefits, from 1941 the SSA provided medical benefits<sup>21</sup>, with the intention to create a free, universal healthcare system (Quin 2009, 2). Yet this never eventuated, not least because many medical professionals refused to cede their authority and professional independence to government control (Quin 2009; Jenkins 1945). Doctors held a privileged social position and were economically powerful – as Jenkins notes, by 1941, when the changes were due to take effect, war had exacerbated an existing shortage of medical professionals, with almost a third of NZ's registered doctors in the armed services, and the National Medical Association likened the changes to serfdom (1945, 86). In return, doctors were accused of prioritising profits over their responsibility to patients (ibid). It is possible some resistance was financially motivated: doctors had had complete freedom to determine their own fees and public payments were initially proposed to be made on a capitation basis. When few<sup>22</sup> doctors agreed to this, fixed rates-for-service were offered. An uneasy compromise was reached where doctors were not compelled to offer publicly-funded care and continued to set their own fees. Doctors<sup>23</sup> who did provide publicly-funded care would then be reimbursed (at the set rates) by the Department of Health (DoH) (McLintock 1966a) and a mixed private-public system developed (Quin 2009, 2-3). What had been

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<sup>19</sup> Three benefits were available without means testing: superannuation benefit, family benefit, and miner's benefit, payable to miners unable to work due to work-related health problems (McLintock 1966b). That superannuation and family benefit – the largest two categories of payments – were not means-tested probably did most to reduce stigma.

<sup>20</sup> Although Section 58(2) of the SSA does limit the Commission's discretion to awarding "as nearly as possible ... the amount to which the applicant would be entitled if he were qualified to receive any other benefit under ... this Act which in the opinion of the Commission is analogous to the benefit provided for by this section".

<sup>21</sup> Including, importantly for my study, pharmaceutical benefits, which allowed prescribed medicines to be provided to patients free of charge (McLintock 1966a).

<sup>22</sup> "90 percent of the family doctors were unwilling to cooperate" (Jenkins 1945, 86).

<sup>23</sup> Or their patients – doctors could opt to be paid in full by their patient, who could then claim the reimbursement from DoH. This option could only be exercised by the doctor, however, not the patient, perhaps indicating their relative power.

proposed as universal provision of free healthcare effectively became a subsidy to an existing elite. This is not to suggest the medical profession was motivated only by profit or totally unsupportive of the reforms – medical care had been provided free or at low cost to some patients for decades (albeit often as charity, rather than of right), and many charged their patients no more than the DoH rates after the scheme was implemented. However, the compromise did create conditions where patient part-payments were not only permissible but expected, opening the door for future governments’ failure to maintain subsidies at a suitable level, with the difference made up by patients.

Over the decades that followed, the major disease burden in NZ evolved from acute illnesses like tuberculosis and smallpox to chronic conditions such as heart disease and cancer. With an increasing population, changing patient expectations<sup>24</sup>, and technological developments offering new and more complex treatments, costs increased rapidly<sup>25</sup> and subsidies fell further behind (Quin 2009). By the 1970s, waiting lists, especially for elective surgeries, had grown to politically unpalatable lengths and patient charges were higher than ever. Those who could afford it increasingly opted out of the public system to ‘jump the queue’ (Quin 2009). Once again there was public and political debate around inequity of access to and quality of healthcare based on means, the very thing the SSA was meant to have removed. Successive governments made various attempts to address this unfairness before 14 Area Health Boards (AHBs) were established in 1983. These were funded based on population, similar to the proposed capitation rates in 1938, replacing a diversity of arrangements that Quin suggests had exacerbated inequalities in care and access (2009, 2-3, 5-6). Intended to bring preventive and curative health services together (ibid, p.6), the establishment of AHBs marks the beginning of the next period of my history, 1984-1990.

### ***2.2.3.2 NZ healthcare 1984-1990: Fourth Labour Government***

The public sector reforms outlined in Section 2.2.1.1 also impacted on the health sector. One significant change was the separation in 1984 of funder and provider, a structural change embodying the new emphasis on efficiency and ‘business-like’ contracting for outputs. The DoH devolved operational control of healthcare provision to the AHBs, retaining its role as funder, monitoring and evaluating AHBs’ performance against DoH-set targets and budgets. Budgets were capped as “an attempt to contain government spending” and the health sector began working under tighter restrictions than previously (Quin 2009, 6-7).

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<sup>24</sup> Including the influences of feminism’s second wave and Maori rights activism.

<sup>25</sup> This was not new – Jenkins notes that the cost of hospital care alone had almost doubled between 1941 and 1944 (1945, 86).

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One restriction was the requirement for AHBs to sign performance agreements with the Minister of Health. From 1989, these detailed the outputs for which an AHB would be held responsible, signalling a tightening of their accountability – pre-1989 there were “no clear ... expectations” beyond hospitals “remain[ing] within their budgets” (Quin 2009, 7). This greater formalisation of expectations and oversight brought healthcare into line with other state agencies and the changes of the State Sector Act 1988 and the PFA (Quin 2009, 7). Both were instrumental in making practical the ideologies of efficiency, ‘responsible management’, and incentives. Lunt argues for these practices as a means “to imprint a vision of the market upon state and civil society”, within which “welfare state, social justice and notions of community” could not be articulated and only “individual and market concepts [...] were able to gain any purchase and expression” in policy debates (2008, 410).

This ‘market’ framing became even more dominant during the three terms of the fifth National Government between 1990 and 1999, as I present in the next section.

### ***2.2.3.3 NZ healthcare 1990-1999: Fifth National Government***

Lunt argues the 1990s was a time of increasing moralisation of welfare – terms such as ‘welfare bludgers’ and distinctions between the ‘deserving’ and ‘undeserving’ poor helped form discourses that “individualised, blamed and moralised” responsibility and self-sufficiency (2008, 411-412). The (high) cost of welfare provision was highlighted in these narratives, with a binary framing of ‘hard-working taxpayer’ against ‘work-shy beneficiary’, contracting the category of ‘deserving’ (ibid). Lunt suggests that these discourses “marked a sharp break with New Zealand’s social democratic past” (2008, 412). Yet those aiming to reduce the cost and scope of the welfare state drew on similar narratives of fairness and equality to the mid-20<sup>th</sup> century discourses favouring its expansion. Moralising over who was ‘deserving’ was also part of the 1938 Act – applicants for the age-benefit, for example, were required to be “of good moral character and sober habits” (SSA 1938, s15(1)(b)).

Overall, this government was marked by a commitment to ‘user pays’ and market mechanisms, including in healthcare. In 1992, the DoH announced user charges for public hospitals, arguing that this would ‘level the playing field’ with primary care<sup>26</sup>, as well as saving money for the health service (Quin 2009, 8). These charges were deeply unpopular and strongly opposed. Short-lived,

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<sup>26</sup> Patients had to pay to see their primary physician, usually a GP, whilst hospital care was free. Quin quotes OECD figures putting the average co-payment at NZ\$31 per GP visit (2009, 8), when the average income for wage and salary earners was NZ\$23,100 (Statistics New Zealand 1999).

they were removed in early 1993, although not before costing AHBs over \$8 million (Quin 2009) in collection and administration costs.

Another market mechanism of interest to my study was a further separation between funder and provider, accomplished by introducing four Regional Health Authorities (RHAs) in 1993. The RHAs took over the purchaser role from AHBs and promoted competition between the newly-corporatised provision arms of the AHBs, restructured and renamed as Crown Health Enterprises (CHEs), and private providers. This was argued to facilitate greater efficiency, as CHEs were “run on a commercial basis with boards of government appointees” replacing the mostly elected boards of the AHBs (Quin 2009, 9). However, few appointees had experience in the health sector, being mainly businesspeople. This was presented as reducing vested interests and promoting “more rational decision-making” (Quin 2009, 11), but it also helped diminish the influence of medical staff in running the system and reinforced managerial and economic discourses within healthcare. Medical and other staff with other opponents protested these changes, often drawing on the same discourses of professional autonomy as the doctors resisting the 1938 changes, but to little effect.

This purchaser-provider split also brought Pharmac into being as one of several new statutory organisations in the health sector responsible to but independent of political control by ministers. This independence, and the associated (supposed) objectivity, was a key narrative in the debate, and helps explain why Pharmac was a major participant in the debate yet the Government was not. I discuss Pharmac’s formation and purpose in Section 2.2.4.4.

The RHAs enforced their efficiency targets with performance measurement clauses covering both quantity and quality of care in binding contracts negotiated with providers, removing what was now the Ministry of Health (MoH) from direct involvement with provision. There was a strong focus on cost in these negotiations as the RHAs had fixed budgets (Quin 2009, 9-11) and discourses around resourcing decisions became more technocratic. It is worth noting that by then the 1938 (and 1984) concern over growing inequities as a motivator for change (and therefore subsequent success criterion) was absent from these narratives of change, replaced by efficiency and cost control. Yet discourses of social equity remained present, in narratives opposing the changes, despite these gaining little practical traction as the government planned a further step towards creating a fully competitive market in health, furthering its discourses of individualism and self-responsibility. Rather than RHAs being allocated funding based on population, people would be issued vouchers so they could choose their own healthcare provider (Quin 2009, 11). Thus, the ‘invisible hand of the market’ would guide the allocation of resources, but “the difficulties with the first [stage] made the second a non-starter” (Scott 1996, 100) and vouchers were never

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implemented. Whilst their dominance varied, discursive tensions over equity, responsibility, and healthcare priorities never entirely disappeared: as Scott points out, “[t]he debate whether the system should be universal or targeted still continues” (1996, 101), an observation that remains relevant today, and was a key contention in the Herceptin debate.

### 1997-1999 National-led coalition Government

The first general election under MMP in 1996 marked a change (though not a respite) in healthcare reforms. No party gained sufficient seats to govern alone and coalition negotiations took several months. Eventually the National Party formed a coalition government with New Zealand First (NZF), a populist, conservative party headed by former National MP Winston Peters. Their coalition agreement forced National to slow its drive towards forming markets, but maintained the moralisation of welfare noted by Lunt (2008), that discursively divided those who ‘deserved’ help from those unworthy of it. Health funding was increased and the commercialisation of the CHEs was to be rolled back, in favour of a more collaborative, though still ‘business-like’, approach rather than being run as competitive for-profit entities (Quin 2009, 14). CHEs were agreed to be renamed Hospital and Health Services (HHSs) but this never actually occurred, one of several NZF health policies in the coalition agreement “blithely ignor[ed]” in favour of “obliquely opting for the status quo” (Laugesen 1997, 2).<sup>27</sup> The focus remained on efficiency and cost control, linked to narratives of individual self-responsibility:

*Major reform of social services in education, health, superannuation and welfare benefits to achieve greater efficiency and improved resource use, to ensure that assistance is directed to those most in need, to encourage greater initiative and self-reliance, and to contain and reduce the fiscal cost of social services (New Zealand Debt Management Office 1997, 19, referring to public sector restructuring over the prior decade)*

Another change was to the system for prioritising elective surgery. Until 1998 patients were treated in the order they were referred to specialists (i.e. ‘first in, first served’). Then a new quantitative prioritisation system was introduced to allocate ‘points’ to patients based on “a predetermined series of medical and social criteria” (Quin 2009, 16). Patients failing to ‘score’ sufficient points were removed from surgical waiting lists and returned to their GP’s care until their conditions progressed enough to qualify, or they paid a private provider (ibid). Once again, these reforms were framed as promoting efficient use of resources, targeting interventions to those who would get most benefit, but as the criteria included ability to work, others argued they discriminated

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<sup>27</sup> Laugesen’s article neatly captures the clash of discourses between the two coalition partners over health: National’s narratives are of “competitive purchasing”, managing “risk”, a blurry “boundary between public and private”, and “consumers”, whilst NZF’s are of public “funding”, “draw[ing] a clear line” between private and public provision, and patients (1997, 2). She also touches on opposition parties’ narratives of inequity: a horrific fantasy (see Chapter 4) of “medical entrepreneurs [...] cream[ing] off” profitable services “while public hospitals are bled dry by the most expensive and complicated cases” and of access to quality care limited to those who can pay (ibid).

against, for example, the disabled, elderly, and unemployed. The measures of ‘need’ also suffered from the problems of quantifying intangibles discussed in Chapter 3, and there were accusations of ‘gaming’ by doctors (and patients) to move further up the lists (Derrett 2005).

In 1998, the coalition broke down. National continued as a minority government and failed to gain sufficient support in the House to reverse its coalition concessions to NZF, far less proceed with its desired 1993 vision for a fully competitive, market-based health system (Quin 2009). Further changes were, however, to be made by the incoming fifth Labour government, elected the following year.

### ***2.2.3.4 NZ healthcare 1999-2008: Fifth Labour Government (Labour-led coalition)***

During its time in opposition, Labour moved away from its New Right 1980s policies, although not so far as to regain its former socialist philosophy. Instead, it adopted a Blair-ite, ‘Third Way’ approach, attempting to “combine social justice (Old Left aims) with economic efficiency and a hard-headed realism (New Right objectives)” (Nolan 2010). The Labour Party, now in coalition with the democratic socialist Alliance Party<sup>28</sup>, with support on confidence and supply by the Greens<sup>29</sup>, contained several former members of the fourth Labour government, including Prime Minister Helen Clark, Minister of Health from 1989-1990. Lunt (2008) argues the Labour-led coalition moved away from the previous government’s ‘moral’ discourses around welfare, instead ‘disappearing’ it into discourses of social development and investment. ‘Investment’ invokes resonances of economics and markets, but it also implies a delay between intervention and ‘return’, de-emphasising current inequalities and their histories in favour of “enhancing future opportunities” (Lunt 2008, 413). Further, these discourses “emphasis[e] [...] individuals as market participants and it is taking part rather than outcome that matters” (ibid, 415).

These discourses were reflected in the priorities the new government set for health (see King 2000). Although market-based competition was diminished, with the HFA “slowly phased out” and District Health Boards (DHBs) replacing CHEs/HHSs to reintegrate purchasing and provision of healthcare (Quin 2009, 18), discourses of efficiency and responsibility remained. So too did the former government’s agnosticism over public-private boundaries – there was no attempt to (re)integrate private or NGO providers into public ownership, for example, and the

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<sup>28</sup> The Alliance Party was led by former Labour MP Jim Anderton, a vocal critic of the Labour Party’s New Right policies in the 1980s. He resigned in protest in 1989, and formed ‘NewLabour’, committed to Labour’s traditional socialist values. In the early 1990s, the Alliance formed from a coalition of NewLabour, the Democratic Party, Mana Motuhake, the Greens, and the Liberals (Vowles 2005).

<sup>29</sup> By the 1999 election, the Greens had left the Alliance and campaigned as a stand-alone party.

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‘business-like’ monitoring and accountability arrangements, including targets<sup>30</sup> and fixed budgets, of the previous system(s) remained (Quin 2009, 19), suggesting a normalisation of these elements. The new government also extended the use of quantification and targeting: for example, extending the system for prioritising elective surgery to include a ranking of clinical sub-specialities, such that more ‘important’ surgeries carry more points than lesser ones (Quin 2009, 16). Just how the importance of each sub-specialty was derived is beyond my scope here, but the change indicates the extension of “governing by numbers” (Miller 2001), an idea to which I return when discussing CBA’s ‘grip’ in Chapter 7.

### NZ Health System in 2006-8

At the time of the debate, NZ healthcare (with the wider public sector) had endured a prolonged period of radical, rapid, and frequent change. Figure 1, based on Quin (2009, 20) with additional information from PHARMAC (n.d.-d), below summarises the organisation of NZ’s healthcare system during the Herceptin debate:

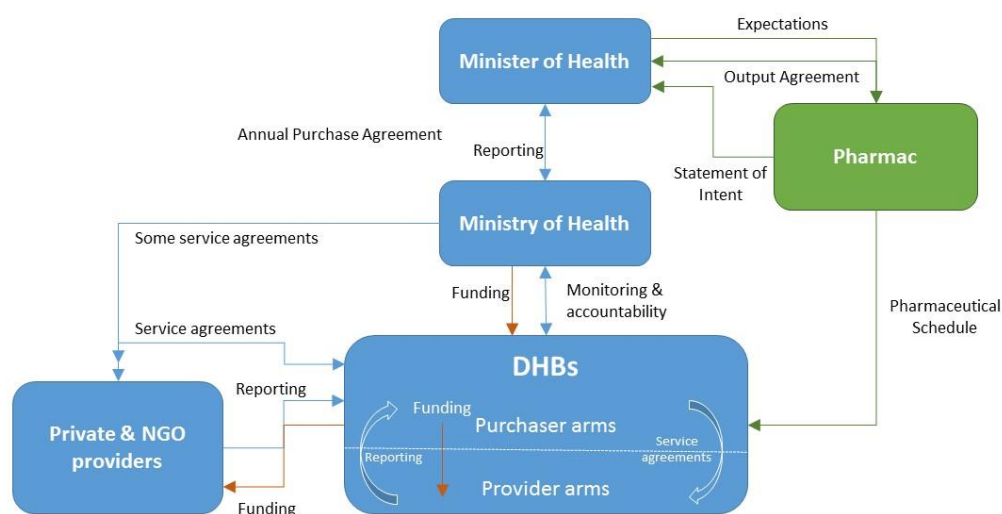


Figure 1: NZ health system during Herceptin debate

<sup>30</sup> Targets in DHBs’ binding service agreements now included some social democratic goals, such as “focusing on reducing inequalities” (Quin 2009, 19), whilst maintaining agency theory mechanisms. Targets also had to be met “within budget” (ibid).



### 2.2.4 Setting the Herceptin debate in context

Whilst the organisation and history of the healthcare system were important elements in the debate, so too were others. In this section, I endeavour to sketch some I regard as key.

#### 2.2.4.1 *Political situation*

By 2006, when my study begins, the Labour-led coalition was in the second year of its third term. Returned with a reduced majority, the coalition had survived several difficulties and scandals, but was losing popularity and beginning to seem tired. Prime Minister Helen Clark was caricatured as ‘Aunty Helen’, a micro-manager in charge of a ‘nanny state’, portrayed as controlling and infantilising the population through excessive regulation. Compared to mid-20<sup>th</sup> century NZ governments, this one might be regarded as light-handed, but against its immediate predecessors it looked much more interventionist: it had bought an almost 80% share in Air New Zealand, the national carrier, in 2001, for example (although this was to avoid its bankruptcy rather than from ideological commitment to state ownership), and renationalised the NZ rail network in 2004 (for similar reasons). It also enacted major social legislation including expanding and strengthening workplace health and safety law (*Health and Safety in Employment Amendment Act* 2002), decriminalising prostitution (*Prostitution Reform Act* 2003), and giving formalised same-sex partnerships the same standing as a marriage (*Civil Union Act* 2004). Most controversially, it supported a Private Members Bill to outlaw corporal punishment of children by their parents. Known colloquially as the ‘anti-smacking bill’, this was in the news and part of public debate at the same time as Herceptin. All these issues relate to choice (or perceived infringements thereof), a key narrative in the Herceptin debate.

#### 2.2.4.2 *‘An unfortunate experiment’: women’s health in NZ and health consumerism*

In 1987, feminists and women’s health activists Sandra Coney and Phillida Bunkle published an article entitled ‘An ‘Unfortunate Experiment’ at National Women’s Hospital’ (Coney and Bunkle 1987). It told the story of a historical study at Auckland’s National Women’s Hospital (NWH) in which women had cervical abnormalities detected but were left untreated “without their knowledge or consent” (Women’s Health Action Group n.d.).<sup>31</sup> This provoked a public inquiry, known as the Cartwright Inquiry after its presiding judge Silvia Cartwright (later Dame Silvia and a Governor-General). It exposed systematic shortcomings in medicine’s regard for patients’ rights, especially those of female patients’ (ibid), and the phrase ‘unfortunate experiment’ entered the NZ vocabulary as shorthand for a high-handed and paternalistic medical attitude to women. Women’s

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<sup>31</sup> See Bryder (2013) for an alternative view disputing much of Coney and Bunkle’s analysis of what happened at NWH.

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Health Action Group (WHAG), of which Coney and Bunkle were founder members, describe the inquiry as a “watershed moment in patient rights” and credit it as the NZ starting point for a patient-centred health system in which doctors were no longer deferred to with reverent awe, but were instead held accountable to their patients (Women's Health Action Group n.d.).

It was no accident that the Metro article was written by feminists. The women’s health movement, of which WHAG was a part, conducted campaigns in many countries, including NZ, challenging the gendered medical hierarchy of doctor and patient and “empowering women to be active partners in their health care” (WHAG, n.d.). Such discourses of empowerment and personal choice resonated with those of consumerism developing around this time. Along with the growing commercialisation of NZ healthcare (see Section 2.2.3), these discourses framed patients as health consumers, expected to be informed, involved, and knowledgeable about their care, making informed decisions and advocating for themselves to achieve desired outcomes. Yet with this also came the responsibility to ‘properly’ perform this role, something beyond many people, especially when ill and in need of care.

### *2.2.4.3 Technological developments in cancer treatment*

Cancer therapies developed rapidly in the early 2000s with the introduction of genetically-targeted therapies. These could treat only small numbers of patients – those with the specific genetic pattern or mutation the medication targeted – but because they offered unique therapies for hard-to-treat conditions, they could be sold for very high prices. The companies developing these therapies pointed to high costs of research and development (R&D) when justifying their prices (see e.g. DiMasi et al. (2003)), but others argued that maximising profit was a more plausible motive, noting that sales and marketing (S&M) expenses often exceed R&D costs (see e.g. Gagnon and Lexchin (2008)). Large S&M expenditure gives pharmaceutical companies wide scope to influence future prescribing and purchasing behaviours. One form of S&M is direct-to-consumer advertising, permitted in only two countries in the world – NZ and the USA (Humphreys 2009). I found no evidence that Herceptin was ever advertised directly to consumers, but the existence of this type of S&M in NZ helps normalise a consumerist conception of health as a commodity to be purchased.

### **Herceptin**

In 2006, trastuzumab was the latest of these genetically-targeted cancer drugs. Marketed under the brand name Herceptin, the monoclonal antibody gained approval for clinical use in metastatic HER2+ breast cancer from the Food and Drug Administration (FDA) in the US in 1998 and from the European Commission in 2000 (Genentech n.d.). Trials using Herceptin to treat early HER2+

breast cancer began in 2000 and this use was formally approved by the FDA in 2006 (ibid), the same year it gained provisional approval by MedSafe for use in NZ (PHARMAC n.d.-b). Oncologists began recommending it for their patients, for it was considered unethical to withhold information from patients on potential treatments, even where these carried slim chances of benefit or very high cost, so patients could make informed ‘consumer’ choices.

#### **2.2.4.4 Two major debate participants: Pharmac and BCAC**

In this sub-section, I outline a partial history of two major participants in the debate, Pharmac and Breast Cancer Aotearoa Coalition (BCAC). Pharmac was the major opponent of funding, whilst BCAC was its major advocate.

### **Pharmac**

Begun as a joint venture between the four RHAs in 1993, the Pharmaceuticals Management Agency (Pharmac) was established in 1993 as part of the ‘corporatisation’ of NZ’s public sector (see Section 2.2.3) to “actively manage Government spending on medicines” and charged with arresting the accelerating pharmaceuticals bill through increased competition (PHARMAC n.d.-c). Converted to an independent Crown Entity<sup>32</sup> in 2000, its statutory objective is

to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment and from within the amount of funding provided (*New Zealand Public Health and Disability Act New Zealand Public Health and Disability Act 2000, s47*)

I wish to draw attention to the importance of cost-effectiveness in Pharmac’s outlook that this objective implies: Pharmac must provide “the best outcomes ... achievable ... within the ... funding provided”. Resources are constrained, and Pharmac must make difficult choices to get the best (overall) outcomes, themes evident in its narratives during the debate. I elaborate this in Chapters 6 and 7.

Pharmac’s major responsibility, at the time of the Herceptin debate and today, is to manage government subsidies for medicines<sup>33</sup>. Its major tool in this is deciding which treatments are eligible for public funding through being listed on the Pharmaceutical Schedule, including the ‘cancer basket’ of pharmaceuticals, or those used in treating cancer (PHARMAC 2008a, 2008b, 2008d). Cancer treatments are typically expensive, so they can have large impacts on budgets and

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<sup>32</sup> That is, it receives public funding for its operations and is responsible to, but not under the day-to-day control of, a Government Minister.

<sup>33</sup> Pharmac’s other roles in 2008 included: promoting the best use of medicines; managing the subsidy of some hospital-based treatments; and managing programmes that give special access to medicines that are not normally subsidised (called the Exceptional Circumstances Programme) (PHARMAC 2008a). This was expanded in 2012 to include managing the national immunisation schedule (PHARMAC 2012a, 4).

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DHBs' financial performance (PHARMAC 2008a, 2008b, 2008c, 2008e), giving Pharmac and DHBs reason to be cautious about listing Herceptin on the Schedule. The split of decision-making, budget-holding, and funding between the Pharmac and the DHBs in 2006-2008 is summarised in Table 1 below, with Pharmac's responsibilities highlighted:

	<b>Decision</b>	<b>Budget</b>	<b>Funding</b>
Medicines on Pharmaceutical Schedule:			
Community-based prescriptions	Pharmac	Pharmac	DHBs
Hospital-based prescriptions	Pharmac	DHBs	DHBs
Cancer Treatments Basket	Pharmac	DHBs	DHBs
Others:			
Exceptional Circumstances Programme	Pharmac	DHBs	DHBs
Promoting optimal use of medicines	Pharmac	Pharmac	Pharmac

**Table 1: Responsibilities at time of Herceptin debate**

Table 1 indicates that decision-making is a key process for Pharmac. The details of that process<sup>34</sup> beyond the importance of CBA within it<sup>35</sup> is outside the scope of my study.

A secondary tool Pharmac uses to achieve its statutory objective is its negotiations with suppliers. Pharmac effectively acts as NZ's 'gatekeeper' for pharmaceuticals as it conducts negotiations on behalf of all publicly-funded health providers<sup>36</sup>. To all intents and purposes NZ's only purchaser of pharmaceuticals, Pharmac is known as a tough negotiator with a preference for purchasing generic (patent expired) drugs from the cheapest supplier and demanding heavy discounts<sup>37</sup>. To further control costs, it also uses 'reference pricing', where treatments are grouped by purpose and all subsidised to a maximum of the lowest price in the group (PHARMAC 2016b, 'Pricing Strategies'). Pharmac is also known to make 'package' arrangements with suppliers, whereby it agrees to list new drugs only when they form part of a bundle that includes lower prices for older

<sup>34</sup> A flowchart depiction may be found in Appendix 2.2

<sup>35</sup> Pharmac changed its decision criteria to 'Factors for Consideration' in 2016, although its process remains very similar. Current factors may be found at <https://www.pharmac.govt.nz/medicines/how-medicines-are-funded/factors-for-consideration/supporting-information/>.

<sup>36</sup> Health providers not seeking public subsidy may negotiate their own supply arrangements.

<sup>37</sup> These discounts are often received as rebates, to protect suppliers' prices in other markets. This makes international comparisons of spending on pharmaceuticals problematic, both in dollar terms and to proxy for degree of health intervention, as their value is usually kept confidential.

ones (see PHARMAC (2016a) for an example in which Herceptin is now one of the older drugs being discounted).

### **BCAC**

Described as “a well-organized and effective lobby group” that kept Pharmac “under sustained pressure” with “highly visible” public actions (Manning 2014, 46-47), BCAC was the most visible proponent for funding in the debate. Formed in 2004 as an umbrella organisation to bring together several groups already advocating for improved breast cancer care, “provid[ing] a unified evidence-based voice” (BCAC n.d.-b), BCAC lobbied from its inception for expanding the range of available breast cancer treatments, putting it in immediate and direct conflict with Pharmac’s main purpose of restraining pharmaceutical expenditure.

From 12 founding members in 2004 (BCAC n.d.-a), BCAC membership grew to 23 groups and 33 individuals (BCAC 2008, 2) in 2008<sup>38</sup> when the Herceptin debate was arguably at its height. Members were diverse: some focused on providing information, others direct support, some funded or undertook medical research, whilst others offered breast cancer patients or survivors options for “health and wellbeing”, including sports teams (BCAC 2008, 2). Many BCAC members had a personal connection to breast cancer, as either current patients or ‘survivors’ (BCAC 2008, 2), and this personal connection to the disease may link with the individualistic and personal stories employed in BCAC’s arguments for funding (see Chapter 6).

#### **2.2.4.5 Media**

The mass media was a key site of contestation in the debate. Rob Baggott (2015, Chapter 5) offers a useful (if UK-focused) overview of the role of the media in healthcare policy. He argues that it is not simply an arena for discussion, but an actor “work[ing] in complex ways” to alter the visibility of issues and interacting with policy through mechanisms that are poorly understood (p. 110). He summarises factors likely to increase the ‘newsworthiness’ of a health issue, including several prominent in the Herceptin debate, for example, “a human interest aspect, if possible, portraying actual individuals or families” (p. 98). He also notes the importance of ‘templates’ or tropes, where issues fit (or can be made to fit) within a familiar story, allowing a short-cutting of understanding, such as ‘cancer heroics’ (Seale 2002), a common trope in this debate. Baggott (2015) also points out that policy actors such as governments, medical associations, and lobby groups also attempt

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<sup>38</sup> At the time of writing (December 2016), membership comprised 32 groups and an undisclosed number of individuals (BCAC n.d.-a).

to influence what the media cover and how, and that some diseases are portrayed more often and/or more positively than others (see also Saywell 2000).

### 2.3 Summary

In this chapter I have offered a sketch of the events of the Herceptin debate and a genealogically-inflected history of it, as a first step in addressing RQ2 – How have the positionings of CBA in the Herceptin debate come about?

In Section 1, I described some key events between the start of the debate in December 2005, when Roche applied for funding, and its end in December 2008, when the incoming government provided that funding. Those events were: Pharmac's two decisions against funding, its decision to fund nine weeks of treatment, and the 'Herceptin Heroines' judicial review case.

In Section 2, I outlined some of the discourses around NZ's political system. I noted that relatively short term (three years) of its parliament, the dominance of two major political parties, National and Labour, and the change in electoral system to MMP in 1996 have been associated with considerable – and rapid – public policy changes. Then I outlined the public sector reforms made in the 1980s and 1990s, first by Labour, then by National, which radically reshaped NZ society and have continued effects today. I suggested the neoliberal values of prioritising the economy, efficiency, and rational choice were normalised by these governments through creating structures and practices grounded in agency theory, institutionalism, and public choice theory and argued for the role of generational change in this shift to an individualist view of society. I followed this with an account of the legislative changes (State Services Act and the PFA) and associated discourses that promoted the normalisation of CBA within public sector decision-making.

I continued Section 2 with a discussion of some of the many changes undergone by the public health section in NZ, beginning in 1938 with the passing of the Social Security Act, but focusing on the changes occurring as part of the 1980s and 1990s reforms, finishing with a summary of the system in 2008, the end of my period of study. I showed that health has been politically sensitive throughout this period, with some persistent discourses, including fairness, medical autonomy, and cost that were challenged at times by discourses of efficiency and targeting, and linked with them at others.

I then moved to outlining some of the debate's context, aiming to ground some of the discussion in Chapters 6 and 7 in a historical specificity. Acknowledging the partiality of my selection, I offered some specifics relating to the government in power at the time of the debate, discussed the link between the 'unfortunate experiment' at NWH and the transformation of patients into

health consumers, touched on the technological development of Herceptin, and offered short histories of two major debate participants, Pharmac and BCAC, before concluding with the role of the media.

In summary, this chapter laid out a surface of emergence (Foucault 1972) for the Herceptin debate, to inform the explanation I generate for CBA's grip in public policy decision-making in Chapter 7.





### 3. Locating This Study: review of relevant literature

In this chapter, I locate my study by introducing two relevant literatures and identifying their gaps. The first of these literatures relates to the uses and limits of CBA, to show the contradiction between its image of neutrality and the subjectivity of its construction, whilst the second concerns accounting as discourse, to show how CBA's consequences run wider than its immediate context. To link these, I also offer in this chapter a genealogically-inflected history (see Chapter 2) of CBA in public sector decision-making.

#### 3.1 Literature 1: Uses and limits of CBA

In this section I position my study within the literature on CBA.

##### 3.1.1 What is CBA?

Defined by Haveman and Weimer (2001, p. 2845) as “a method for assessing the economic efficiency of public policies through the systematic measurement of social costs and social benefits”, CBA and its variants, cost-effectiveness analysis (CEA) and cost-utility analysis (CUA)<sup>39</sup>, are widely used in decision-making.

CBAs, CEAs, and CUAs all quantify and compare the costs and benefits of projects by converting disparate considerations to a single figure. The key difference between CBA and CEA/CUA is that the former produces a monetary ‘net benefit’ output, measured in dollars, whilst the latter leave the outcome un-monetised, producing a cost-per-outcome. CUA is used where multiple outcomes are involved, such as in quality-adjusted life-years (QALYs), a compound metric of length and quality of life, whilst CEA is used for single outcomes, such as lives saved (Wiseman and Jan 2001). CEA, then, produces a measure of ‘cost-per-single outcome’, CUA of ‘cost-per-multiple outcome’. CBA thus provides decision-makers with a common, numerical ‘descriptor’ of heterogeneous projects that may then be more easily ordered into a prioritisation ranking.

Conceptually (if too simplistically), it is useful to consider CBA as the following equation:

$$CBA \text{ of project} = (\text{total benefit}) - (\text{total cost})^{40}$$

<sup>39</sup> I discuss the distinctions between CBA, CEA and CUA below, but to the extent that all are types of economic evaluation involving the quantification and comparison of costs and benefits, I use ‘CBA’ to cover all three except where differences are important.

<sup>40</sup> The comparable ‘equation’ for CEA and CUA is:

If total benefit outweighs total cost, the intervention has a positive net benefit and if different interventions are assessed using the same CBA model, their results may be directly compared and ranked. Furthermore, CBA's (apparent) simplicity lends it intuitive appeal: the CBA 'equation' is non-technical, and understanding the relative size of numbers permits CBAs to be ranked. This ranking highlights the basic decision rule of 'pure' CBA (i.e. without other criteria): given unconstrained resources, select all interventions with positive CBA; where resources are constrained, select higher CBA-value interventions ahead of lower<sup>41</sup> (Ross et al. 2008).

### 3.1.2 Why use CBA?

*The purpose of cost-benefit analysis is to secure an efficient allocation of resources (Wildavsky 1966, 293)*

Decision on resource allocation must be made somehow and CBA's adherents argue that it provides "a voice for rational decision making" in those allocations, reducing opportunities for vested interests to sway decisions in their favour (Boardman et al. 2011, 23). It is claimed to offer a "systematic and transparent procedure" (Adler and Posner 2009, 82) for comparing alternatives on a like-for-like basis, via quantification (Sechooler 2014) and dispassionate comparison of their costs and benefits (see e.g. New Zealand Treasury 2005; Lave 1996; Arrow et al. 1996). This transparency is argued to make decision makers more accountable:

*By providing a more accurate assessment of the real costs and benefits of a decision, formalized cost-benefit analysis reveals the distortions of politics – the back-room deals and special-interest politics – for what they are (Revesz and Livermore 2014, 12)*

As a result, it is claimed, CBA promotes decisions leading to 'optimal' outcomes, typically understood as those which result in the most economically efficient use of resources, i.e. which put "scarce resources [...] to the greatest social good" (Arrow et al. 1996, 221).

Yet, whilst its model is conceptually simple, CBA "is a problematic tool in practice", one that "cannot provide what some economists claim" (Lave 1996, 105) and so in the next sub-section, I offer an overview of the limits of CBA.

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CEA/CUA of project = (total beneficial outcome measure)/(total net cost)

That is, CBA is a net measure whilst CEA and CUA are ratios.

<sup>41</sup> Assuming initial investments are of equal size. Where they are not, CBA should be scaled for input costs, i.e. a form of CEA performed (Ross et al. 2008). This is one reason why CEA/CUA may be deemed superior to CBA, in that it more closely approaches the 'like-for-like' standard of comparison. Also, this 'rule' applies only to CBA and is inverted for CEA/CUA, which, as ratios of cost to benefit, are preferred to be lower, offering more 'bang per buck'. Further, other quantifications of costs and benefits are available, and often used in commercial settings (Ross et al. 2008), but rarely seen in health economics, where CUA appears dominant. The same intervention may receive conflicting rankings under different quantifications. Decision-makers may, of course, always choose to include and/or prioritise other criteria when assessing interventions, whether there is conflict or not. Of interest to my study, however, is that CBA appears to be a privileged evaluation.

3.1.3 Limits of CBA

The difficulty of performing CBA, especially where inputs are non-monetary or uncertain, means that “conducting an economic evaluation is far from an exact science ... [and] lots of difficult questions are raised that do not always have clear-cut answers” (Wiseman and Jan 2001, 199). Here, I highlight some of those ‘difficult questions’.

3.1.3.1 Some ‘difficult questions’ from advocates of CBA

What should CBA include?

CBA methodology texts often stress that CBA should include only ‘relevant’ items (see e.g. HM Treasury 2011; Commonwealth of Australia 2006; Boadway 2016). But what counts as ‘relevant’? This is one of “several controversies” (Garber 2000, 205) for advocates of CBA. Relevance depends on perspective; what to include and exclude depends on the purpose and audience of the analysis (Wiseman and Jan 2001; Garber 2000). This view is long-standing, with ‘different costs for different purposes’ traced to Clark (1923) – presumably benefits similarly depend on purpose and perspective.

To illustrate this, Figure 2 shows from various perspectives examples of different CBA inputs for an unfunded drug intervention administered at a publicly-funded hospital. The differing inclusions are likely to generate very different CBAs.

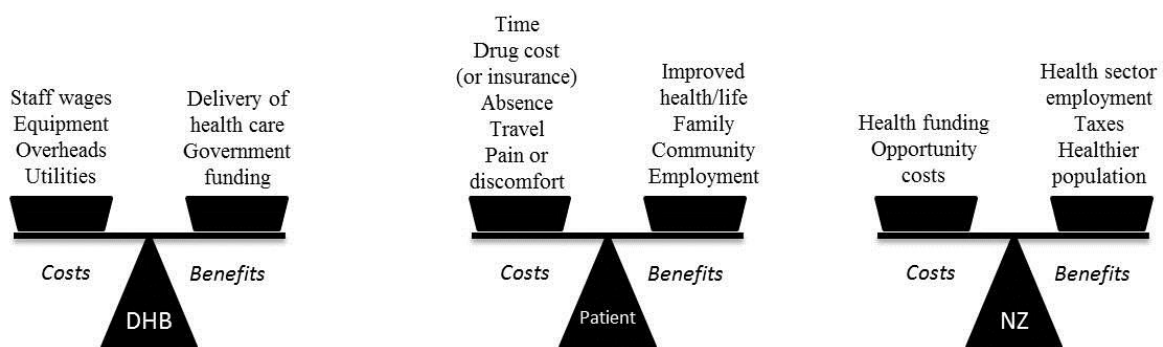


Figure 2: Different perspectives on inputs to CBA

Figure 2 also shows there is little to no overlap between the benefits and costs from each perspective, and that a cost to one is a benefit to another, highlighting the importance of a CBA’s intended purpose and audience. Pharmac’s CUAs are prepared from the perspective of the DHBs (i.e. funding providers) and explicitly exclude “any patient benefits and/or costs [...] beyond individual health outcomes” (PHARMAC 2012b, 15). Some of these (e.g. distance travelled to receive treatment) are highly relevant to patients (Iversen and Siciliani 2011), altering the outcome

of a CBA performed from their perspective. Indirect costs and benefits should also be included if relevant (HM Treasury 2011). That this must be done via an allocation model introduces further judgement and estimation.

A thorough economic evaluation would include all economic impacts of an intervention: macroeconomic multiplier effects, for example. However, Walker, Sculpher, and Drummond argue that economic evaluations in healthcare have moved away from strict utilitarian principles of maximising total utility towards a “narrower” objective of achieving maximum health, measured in, for example, QALYs (2011, 736). This further constrains inclusions and how health interventions are assessed, in subjectively determined ways. Pharmac’s decision criteria show this narrower focus, being concerned with health, cost and budget constraints (PHARMAC 2008b), excluding other forms of utility, including patient preference. Pharmac’s PFPA (2012b) further restricts its analyses to costs and benefits within its control. Whilst pragmatic, even necessary, such subjective limits decrease the resulting CBA’s claim to inclusiveness and neutrality.

### **How should we measure inclusions?**

Everything included in a CBA must be measured. This is straightforward for some inputs (e.g. a supplier’s charge for a drug dose) whilst others raise notoriously difficult questions, ‘resolved’ through subjective decisions shaped by their discursive environments. Examples of these difficult questions include the value of life and quantifying future costs and benefits.

#### What is the value of life?

Two common means of pricing life and health are willingness-to-pay (WTP) and contingent valuation (CV). WTP aims to capture the utility function of an intervention by how much people will pay for it. WTP is the preferred valuation method (Boadway 2016), ideally observable values gathered from market information (e.g. prices paid for private healthcare). So-called ‘shadow prices’ inferred from other market prices such as the wage premium<sup>42</sup> paid for risky work, are the next-best option (ibid), reflecting and contributing to dominant discourses of free-market economics. Where market or shadow prices are unavailable, CV is used to estimate WTP by asking people to value particular health states, then using these to estimate WTP for an intervention from its expected outcomes (Dolan 2000). CV relies on *H. economicus*<sup>43</sup>’s utility-maximising skills to accurately value WTP, raising concerns about respondents ‘gaming’, giving strategic responses,

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<sup>42</sup> Although see Zweifel et al. (2009), for example, on the difficulties of isolating such a risk premium from other influences on wages.

<sup>43</sup> *Homo economicus*, or ‘rational economic man’, vividly described by Levitt and List (2008, 909) as one who “[is] unswervingly rational, completely selfish, and can effortlessly solve even the most difficult optimization problems”.

and simply being unsure of their valuations (see e.g. Li and Mattsson (1995); Heinzerling (2002)), with incorrect valuation as a result. CV remains difficult to quantify: Iversen and Siciliani (2011, 651), for example, cite one CV with a WTP range of US\$24-107.

Utility measures, including QALYs, were developed in response to WTP's difficulties, aiming to capture both quality and length of life in a single "valuation of health benefit" (Weinstein et al. 2009, S5), so facilitating comparison of different outcomes. However these too require subjective decisions, for example, valuing damaged health states, which Nord et al. (2009) note differ markedly between *ex ante* and 'experienced' valuations elicited from those in such states.

### How should we measure future costs and benefits?

Health interventions typically have upfront costs and delayed benefits (Wiseman and Jan 2001). To aggregate these 'like-for-like', future dollars are discounted to today's value using net-present-value (NPV) techniques, reducing future costs and benefits. Higher discount rates reduce the NPV values more markedly than low ones, making discount rate selection a critical decision, though one whose foundations remain unsettled (Argyrous 2013), requiring judgements on, for example: should the discount rate reflect social rate of time preference (a consumption measure), or opportunity cost of capital (a measure of return)? Should costs and benefits be discounted at the same rate?<sup>44</sup> Should risk be included in the discount rate? As NZ's Treasury guidelines remark in offering a non-binding 'benchmark' rate to be used in ambiguous cases, "[n]o single rate [is] appropriate for every project" (2005, 27). Thus, discount rate selection requires judgement, again introducing subjectivity.

Performing the conceptually simple but practically complex task of CBA, then, requires exercise of considerable judgement and estimation. Analysts preparing CBAs recognise (at least some of) this, and perform **sensitivity analyses**, varying single factors of estimation to gauge their effect on the CBA's outcome, and/or, recognising the interdependence of some variables, **scenario analyses**, varying plausible combinations of factors (New Zealand Treasury 2005, 36-37). For example, Pharmac's baseline estimate of the cost-per-QALY for one year's Herceptin treatment was between \$70,000 and \$80,000 (PHARMAC 2007c, 3), with initial one-way sensitivity analyses varying, inter alia, duration of benefit, discount rate, and cost of palliative care, giving a range of

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<sup>44</sup> Most CBAs do use the same discount rate for costs and benefits, but not all: the National Institute of Health and Clinical Excellence (NICE), which performs similar functions in the UK to Pharmac in NZ re decisions on public funding of pharmaceuticals, discounted costs at four times the rate of benefits until 2004, reasoning this better reflected the social value of future health gains (Hall 2011).

cost-per-QALY between \$24,000 and \$144,000<sup>45</sup> (ibid, 30). Such tests are also dependent on judgement – of which factors are most likely to affect outcomes and the plausible ranges of values – meaning that, although they offer a measure of CBA’s uncertainty, they are unable to decrease its subjectivity.

In summary, considerable areas of dispute and debate remain amongst CBA’s advocates. For my study, their key commonality is the estimation and judgement required to address the ‘difficult questions’ they raise. This has been the subject of other, more challenging critiques of CBA, those which fundamentally question its socio-political underpinnings and its basic assumptions; in the next sub-section, I highlight some of the ones relevant to my study.

### **3.1.3.2 Some ‘difficult questions’ from critics of CBA**

The more challenging critiques of CBA argue that it does not achieve what it claims, and question the narrow economic world-view it embodies. A key focus for these critiques, and my study, is the extent of estimation and judgement in CBA calculations, weakening its claims to be neutral and objective.

#### **What should CBA include?**

Whilst CBA’s advocates debate what a CBA should include, its critics question both their responses and the subjective judgements on which these are based. Critics view accounting technologies like CBA as employed to achieve particular ends; arguably “made to be purposive rather than being inherently purposeful” (Burchell et al. 1980, 13), a CBA’s particular end-purpose influences every decision within it, making its construction a political act.

Since questions of ‘standing’<sup>46</sup> are crucial to CBA (Trumbull 1990) and require the exercise of judgement, CBA’s critics interrogate the assumptions behind ‘relevance’. Should future generations have standing, for example? Or those affected outside the jurisdiction in which the decision is made? Or the natural world? CBA’s discursive underpinning by assumptions of free markets regards WTP as *de facto* evidence of standing: “[o]nly [WTP] measures of value have meaning” in CBA (Trumbull 1990, 216). This discourse’s desire to include only the economic has been criticised as too narrow: Sinden, for example, argues that CBA excludes from consideration “the most important human ambitions and accomplishments”, as “[n]either love nor compassion,

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<sup>45</sup> Despite these wide ranges, the further one moved from their calculation, the less this contingency appeared, until it had a definite cost per year in public communications (see e.g. PHARMAC 2007a, 5). This movement, from ‘private’ contingency to ‘public’ fixity, is a key motivation for my study.

<sup>46</sup> Borrowed from the legal term, an entity has ‘standing’ in a CBA if their costs and benefits are considered sufficiently relevant to be included within it.

health nor beauty, dignity nor freedom, grace nor delight are important [within CBA] unless they can be priced” (McHarg 1969, in Sinden 2004b, 135).

Other decisions, such as choice of perspective for determining relevant costs and benefits reflect and reinforce assumptions about the relative importance of the various parties involved. In preparing CUAs only from the perspective of funders, Pharmac excludes from consideration all other costs and benefits<sup>47</sup>. This “exacerbates power imbalances” (Bebbington et al. 2007, 227) between funders and others by emphasising and normalising one set of priorities over others.

### **How should we measure inclusions?**

Limiting standing in CBA to WTP sidesteps the ‘difficult questions’ raised in attempting to measure uncertain and intangible inputs and outcomes. The overriding consideration of purpose makes all CBA’s inputs contingent, to be considered as constructs rather than natural artefacts. As noted above, the judgements and estimations in quantifying CBA’s inputs introduce subjectivity inconsistent with CBA’s image as neutral and objective. CBA’s critics argue this leads to CBA-informed decisions that do not generate ‘the greatest social good’.

### What is the value of life?

*Many have complained that the technique systematically underplays social objectives that cannot easily measured in quantitative terms (Fischer 1990, 165)*

As discussed above, the free-market discourses of WTP and CV regard market prices as the most compelling evidence of value, with ‘shadow prices’ an alternative, with the wage premium received for doing riskier work often taken as the shadow price of health and safety values. Yet information asymmetry is an obvious problem (Bebbington et al. 2007, 226): the Johns-Manville asbestos manufacturing company, for example, knew the health risks to which their employees were exposed well before the workers affected, but neither informed nor compensated them (Castleman and Berger 2005). Shadow prices inferred under such circumstances under-estimate the ‘price’ of the health damage incurred and CBA’s “over-reliance” on reducing all considerations to a single monetary metric<sup>48</sup> has been criticised as “lack[ing] authenticity” in describing how people actually value the varied elements of their lives, social space and natural world (Bebbington et al. 2007, 226; Sinden 2004b).<sup>49</sup> The dependence of markets on property rights also excludes from CBA

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<sup>47</sup> Other than the health-outcomes of the patient receiving the intervention.

<sup>48</sup> CEA and CUA partially address this concern through leaving at least one term un-monetised (e.g. the QALY in Pharmac’s ‘cost-per-QALY’ metric, but see e.g. Schlander (2008) for how QALYs may not be commensurate with one another). To the extent that CEA and CUA retain similarities to CBA in requiring costs to be monetized and benefits quantified into a single metric, the remaining critiques of CBA apply.

<sup>49</sup> See e.g. Sayer (2011) for a suggested alternative ‘authentic’ consideration of how people do value such phenomena.

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intangibles such as effects on indigenous ways of life or gender relations, for what cannot be owned, bought, or sold cannot be priced (Martinez-Alier, 1995).

Critics note WTP and CV produce values “heavily dependent” on standing and income distribution (Bebbington et al. 2007, 226), arguing we should more properly regard it as ‘ability-to-pay’, since diminishing marginal utility means “[p]oor people accept cheaply, if not gladly, risks which other people would be ready to accept only if offered large amounts of money” (Martinez-Alier 1995, 523). This, they argue, undervalues the preferences of poorer groups and perpetuates inequality. CBA’s value judgements around distribution effects are rarely explicit, since these are “presumed [to] be taken into account through other policies with explicitly redistributive goals” (Haveman and Weimer 2001, 2845). Some CBA models apply weightings to WTP to compensate for distribution effects (see e.g. Brent 2007, Ch. 2), but these contain other, often implicit, assumptions regarding ‘optimal’ distribution. Thus, CBA discursively presents as ‘objective’ and ‘non-political’ by omitting these effects from its analyses, whilst simultaneously naturalising their separation from ‘neutral’ decision-making.

### How should we measure future costs and benefits?

Bebbington et al. cite one CBA with net benefit “*plausibly* rang[ing] from zero to half a billion dollars” (2007, 227, emphasis added), due in part to discount rate assumptions. Whilst its range is not as wide, Herceptin’s cost-per-QALY showed greater sensitivity to discount rate than any other variable (PHARMAC 2007c). Long projects may impose costs and/or bestow benefits on future generations. Even if given standing in a CBA, standard NPV techniques with constant discount rates tend to under-value future preferences against current ones (Frank 2000). Current generations must estimate what future values might be and these estimates become less certain as they become more distant, requiring ever greater judgement. The longer the span of a project’s inputs, too, the more pronounced the effect of discounting, due to compounding.<sup>50</sup> This favours shorter-term over longer-term interventions, decreasing inter-generational equity and diminishing the visibility of impacts on future generations (Bebbington et al. 2007). Others question the assumptions used to justify positive interest rates. Martinez-Alier, for example, regards three common justifications, time preference, increased wealth of future generations, and productivity of capital, as “weak”, “optimistic”, and “in doubt” respectively – accepting only the last as of some validity, if too often resulting in discount rates higher than would accurately reflect the proportion

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<sup>50</sup> Hyperbolic discounting – where discount rates are higher at the start and reduce over time – has been suggested as having potential to address these issues (Frank 2000), but is rarely used in practice. Nevertheless, the key difficulty of discount rate selection for the ‘grip’ of CBA is not the rate chosen nor whether discounting is constant, hyperbolic, or something else, but that every judgment made in constructing a CBA reduces its claim to objectivity.



of ‘investment’ resulting in productive, rather than destructive, capacity (Martinez-Alier 1995, 521-522).

### 3.1.3.3 *Some ‘difficult questions’ in the practice and consequences of CBA*

*Cost-benefit analysis is the paradoxical outcome of a political drive to escape politics (Corner House 1999, attributed to Theodore Porter)*

As presented in Chapter 2, the greater focus on cost-efficiency and cost-effectiveness arising from the 1980s and 1990s public sector reforms (Andrews and van de Walle 2012) led to greater use of calculative technologies such as CBA. Laughlin and Broadbent suggest that this focus operates as “an instrument of political guidance ... designed to produce social effects” (Teubner 1987, in Laughlin and Broadbent 1993, 339), guided by a “particular ideological, accounting-dominated political agenda” (Laughlin and Broadbent 1993, 347). Critics argue that these effects are wider than CBA’s advocates acknowledge, raising further ‘difficult questions’ in the practice and consequences of CBA.

#### Does CBA’s ‘objective’ appearance aid its political use?

Critics deny CBA as the neutral, value-free technology its adherents portray; rather “[t]he accountant is really in the business of trying to persuade others” (Morgan 1988, 482) and CBA *is* rhetorically powerful – a power I explore in this study. Nevertheless, numbers provide an *appearance* of objectivity that may be useful to those whose interests they serve, helping them obscure the political decisions and judgements within CBA by “masking value choices”, so deflecting challenges and reducing the potential for democratic resistance to or contestation of decisions (Bebbington et al. 2007, 227, following Corner House 1999). Nor is this a recent critique, as Marglin noted half a century ago that

*in American practice (as distinct from theory) [CBA] often has served as window dressing for projects whose plans have already been formulated with little if any reference to economic criteria (1967, 18)*

I do not imply here that CBA’s subjectivity is completely hidden from view or that everyone is deceived by CBA – it has been resisted in practice (including in the debate studied here) and there are growing academic literatures (including but not limited to those cited here) challenging its ‘grip’.

#### What are the distributional consequences of CBA?

Critics of CBA argue that its concern for maximising total utility leads to decision-makers paying insufficient attention to just who ‘wins’ or ‘loses’. Martinez-Alier (1995) argues that valuations within CBA depend on the current distribution of economically valuable resources and property

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rights, and work against the already disadvantaged, such as the poor, the global South, and future generations. The effects of ignoring income distribution result, critics say, in CBA aggregating “apples and oranges” into a single measure, with the resulting distribution of resources being “‘apples’ taken away from one group of people to provide ‘oranges’ to another” (Corner House 1999). The traditional view of CBA regarding income distribution and its impact on demand functions as ‘externalities’ (Haveman and Weimer 2001, 2845) reflects a (subjective) judgement on the desirability (or otherwise) of subjectivity in decision-making.

### Is CBA dehumanising?

Sinden accuses CBA of replacing human values with economics:

*[CBA] flattens our most deeply held emotions, beliefs, and values – our awe at the profundity of extinction, our reverence for life, and our wonder in the face of the magnificence of biodiversity – into the monochromatic dull gray of the monetary metric (2004b, 210)*

Bebbington et al. suggest that such discourses of economic priority work to “dehumanize and devalue” other human values like health and community (2007, 226). Shearer similarly cautions that viewing the world only through the eyes of *H. economicus* “enable[es] an imperialism that effectively opens the whole of human experience to economic description and prescription” (2002, 549), leaving little room for ‘deeply held emotions, beliefs, and values’ to inform decisions. Chwastiak shows the logical end of such ‘imperialism’ of economic rationality and cost-efficiency is to “len[d] rational support to [...] highly irrational act[s]”, such as planning for nuclear war and the Cold War strategy of mutually assured destruction<sup>51</sup> (2001, 516).

### Is CBA democratic?

*Cost-benefit was intended from the beginning as a strategy for limiting the play of politics in public investment decisions (Porter 1995, 189)*

Despite CBA’s conceptual simplicity, it requires expert knowledge to perform and understand. Its process is conducted in a “technical language” “largely inaccessible to non-specialist audiences”, prompting its characterisation as anti-democratic (Bebbington et al. 2007, 228). This technical language “convey[s] a false impression of scientific objectivity”, acting as a barrier to participation by non-specialists, who are less able and perhaps less willing to contest CBA’s outputs than they might be to contest its underpinning values and assumptions, were these openly discussed (Bebbington et al. 2007, 228). The need for expertise in CBA has implications, too, for

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<sup>51</sup> Sometimes known, aptly, as ‘MAD’.

distributional issues, as the high cost of acquiring or hiring such expertise tends to favour those who already command greater resources (Sinden 2004b).<sup>52</sup>

In summary, the more challenging critiques of CBA argue that its dependence on estimation to calculate make it inherently political, further weakening its claims to neutrality and objectivity. They argue its focus on the economic is too narrow, excluding social and human values, and acting to normalise power imbalances and other inequalities. Its reliance on market and market-derived prices may lead to distorted valuations and entrench existing resource distributions. Other critiques focus on CBA's consequences and suggest its appearance of objectivity may aid the powerful in deflecting challenges, reducing democratic participation in decision-making. Together, these critiques suggest that CBA may ultimately fail in its aim to generate 'the greatest social good'.

### **3.1.3.4 Attempts to address CBA's limits**

*These modes of analysis are neither good for nothing nor good for everything, and one cannot speak of them as wholly good or bad (Wildavsky 1966, 293)*

Some proponents of CBA recognise (some of) its limits, and suggest ways to address them: “[we] should seek to mend, not end, cost-benefit analysis” (Revesz and Livermore 2014, 10). Many suggest methods or techniques aimed at more closely estimating the ‘true’ figure (see e.g. Brent 2007; Weimer 2017; for healthcare CBA, see e.g. Frew 2010), whilst others are sanguine about the level of estimation required, arguing, for example, that CBA represents a practicable approximation of total wellbeing, “a rough, administrable proxy”, more than an accurate or precise measurement of it (Adler and Posner 2009, 72).

Others go further, suggesting more radical changes. For example, Nou, arguing that

*[a]s it stands, the contemporary practice of CBA not only fails to achieve its own objectives, but can also no longer withstand scrutiny as a democratically legitimate means of regulatory analysis (2008, 606)*

proposes supplementing CBA's (claimed) “cool-headed reason” with deliberative citizens' forums to form ‘deliberative cost-benefit analysis’ (Nou 2008, 606). This, she argues, would address at least two of CBA's limits canvassed above. First, it would help address CBA's issues with measuring intangibles by offering “more robust valuations” (e.g. of WTP) (ibid, 617). Second, it would address CBA's democratic deficit by increasing the accountability of decision-makers for their decisions, enhancing their democratic legitimacy, as well as by offering opportunities for educating citizens through deliberative discussions. However, Nou proposes these discussions be

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<sup>52</sup> This is not to claim that CBA calculations *cannot* be challenged by non-experts (the Herceptin debate demonstrates exactly this), nor advise that such challenges should not be attempted, but to highlight CBA's consequences for democratic action.

aimed at “provid[ing] opportunities for citizens to reflect on and revise their preferences” (ibid, 616), retaining CBA’s traditional assumption of aggregated utility functions (Boardman et al. 2011) and of people principally as consumers. Furthermore, her deliberative forums would have a restricted role: “Citizens would not be given *carte blanche* in making decisions ... but rather ... be charged with choosing ... within the existing range of expert disagreement” (Nou 2008, 623), limiting its democratic potential.

Others would end, not mend, CBA. For example, Söderbaum (1982, 2004, 2001, 2006, 2015) suggests Positional Analysis (PA) as a replacement. Developed from a pluralist set of assumptions and premised on paying attention to the different actors, ideological orientations, values, ethics, and alternatives in a situation, PA aims to “illuminat[e] conflicts of interest rather than concealing them behind one-dimensional numbers” (Söderbaum 2004, 44). Söderbaum argues that PA’s recognition of “complexity and ‘fuzziness’ [as] a fact of life rather than something that can easily be avoided or handled” (2015, 422, n3, citing Funtowicz and Ravetz (1991) on the implications of post-normal science) offers a more democratic alternative to CBA, presenting decision-makers with tentative, conditional conclusions that require an explicit “matching [of] beliefs, values, and ideologies ... with the expected effect profile (in relation to different interests) of each alternative” (1982, 397-398).

Nevertheless, despite its difficulties and the availability of alternatives, “[CBA] is here to stay” (Revesz and Livermore 2014, 11). In the next section, I outline relevant elements of how this came to be.

### 3.2 A history of CBA in public spending decisions

In this section, I offer a genealogically-inflected history (see Chapter 2, Section 2.2) of the use of CBA in public spending decisions.

#### 3.2.1 A general history of CBA

Many histories of CBA recognise French engineer Jules Dupuit and his 1844 treatise, *On the Measurement of the Utility of Public Works* as the beginnings<sup>53</sup> of CBA’s application to public spending decisions (see e.g. Porter 1995; Pingle 1978). Others, especially US-based authors, opt for the US Army Corps of Engineers’ (USACE) work on prioritising water resource projects as the ‘true’ beginning of CBA in public spending decisions (see e.g. Adler and Posner 1999; Hanley and Spash

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<sup>53</sup> Although its title suggests that ‘utility’ was already an important factor in public spending decisions and it may be fairer to suggest he offered a more precise measure of estimating the benefits of public works (Ekelund 1968).

1993). Whatever its beginnings, there is little dissent over USACE's influence in CBA's development, particularly following the 1936 Flood Control (FCA36) Act and the later publication of the so-called 'Green Book', a federal guide to CBA practice (US Federal Inter-Agency River Basin Committee 1950) with which USACE was closely involved.

The FCA36 is widely seen as the first legislation to mandate the use of CBA in assessing public spending: the Declaration of Policy<sup>54</sup> of this Act states that federal funds were to be made available for “the improvement of navigable waters ... if the benefits to whomsoever they may accrue are in excess of the estimated costs” (FCA36, S.1). Porter argues for the quantification of costs and benefits, and their subsequent commensuration, as both a way to resolve conflicts and a “heroic effort[... by] Congress to control its own bad habits” of pet projects and pork-barrel amendments (1995, 155); that is, as a way to reduce the influence of politics (and politicians) on resource allocation decisions in favour of the technical expertise – and associated perception of objectivity – of USACE. This did not remove from Congress the actual decision of which projects to fund – leaving plenty of room for political manoeuvrings – but it did impose both a quantitative threshold for those projects to meet and an important ‘filter’ in the requirement that all projects had to be surveyed and reported on by USACE before being presented for appropriations to be made, a process which could take up to two years (Porter 1995, 155-156). However, methods for performing the required CBA were not mandated and Porter notes the “dazzlingly uninquisitive” (ibid, p. 156) reluctance of Congress to challenge USACE's calculations, and the resulting deferral to expertise that also featured in the Herceptin debate (see Chapter 6, Section 6.2.3.5).

Over the following decades, USACE's power struggles with other government agencies and conflicts with project opponents increased pressure for a standardised CBA methodology and in 1946 a sub-committee of the US Federal Inter-Agency River Basin Committee was formed for this purpose. A working group of this committee was charged with formulating “an objective analysis of the problem, including what constitutes a benefit and what constitutes a cost”<sup>55</sup> (sub-committee meeting minutes, 24 April 1946, in Porter 1995, 183). The working group struggled with their brief and issued a draft report only in 1949. This draft then formed the core of what became known as the 'Green Book', published in 1950 as a set of “standards and criteria” intended to “introduce uniformity” across the various agencies involved (Marglin 1967, 17). The desired uniformity did not result, in part because of a lack of “official standing” (ibid) for its contents and the various

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<sup>54</sup> In US legislation of this era, Declarations of Policy perform the same function as the Purpose (previously Preamble) in NZ legislation – setting out the rationale for the Act and what it was intended to achieve.

<sup>55</sup> Porter calls this a “modest task” (1995, 183), which perhaps indicates his sense of humour, as this is a gross understatement – it took the working group over three years to deliver its first report draft and these definitions remains some of the most intractable ‘difficult questions’ of CBA, as I showed in Section 3.1.3.1.

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agencies involved continued to use their own established methods, but also because it was insufficiently detailed to act as a practice manual (Porter 1995, 184). However, it was notable for several pronouncements influential on CBA methodology, especially the inclusion of intangibles, such as the recreational values of the lakes formed by proposed dams, lives saved or lost and health gain or losses, all to be quantified by reference to market values (Porter 1995, 184-185), then as now difficult to value (see Section 3.1.3).

These difficulties led to an increasing influence of welfare economists, whose chief interest was in maximising total or overall utility,<sup>56</sup> from the 1950s on (Porter 1995, 187; see also Pingle 1978). Porter ascribes this increasing influence to a “confluence” of interest between the bureaucrats charged with performing CBAs and welfare economists looking for practical applications of their academic theories:

*The bureaucracy was looking to quantify an ever more diverse and recalcitrant array of benefits. The new welfare economics presupposed that all pleasures and pains in life were commensurable under a single, coherent, quantifiable utility function. It seemed both intellectually serious and practically useful to try to work this out for such difficult issues as recreation, health, and the saving or loss of life (Porter 1995, 187)*

Thus, welfare economics offered CBA a way to quantify these intangibles, as well as the legitimisation of expertise and of numbers, by ‘converting’ them to utility, which could be valued using market methods, such as shadow prices and WTP, as discussed above (see Section 3.1.3.1).

Quantification of intangibles for incorporation into CBA had been developed elsewhere too, and much earlier. For example, Pingle (1978, 70) quotes the 1880 Indian Famine Commission as recommending the Imperial government to include non-financial benefits such as loss of life and increased certainty of crop growth in their considerations of the merits of irrigation projects. The Commission also recommended that “financially unremunerative but [otherwise] desirable” projects were to be separately funded (Pingle 1978, 70), a process reminiscent of Herceptin’s eventual funding via the MoH rather than the usual Pharmac process (Tait 2008). In another similarity, Pharmac also has an Exceptional Circumstances programme, which will in some circumstances pay for medicines not normally subsidised (PHARMAC 2006, 25).

CBA’s development and expansion continued through the second half of the 20<sup>th</sup> Century, with Porter arguing for it as part of a “broad trend” of quantification-aided Taylorist management of both public and private sectors (Porter 1995, 187-188). “[A]lmost every form of government activity” (ibid) was measured using CBA from the 1960s to the 1970s and in late 1981, President

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<sup>56</sup> The title of Dupuit’s 1844 treatise containing the term ‘utility’ now seems prescient, a ‘pre-echo’ of CBA’s later dependence on welfare economics.

Reagan formalised this commitment with an executive order that all new<sup>57</sup> regulations introduced to the House had to be supported by a positive CBA (Executive Order No. 12,291). It was argued at the time (see e.g. Shabecoff 1981) that this was a politically-motivated ‘threshold’, intended to make it harder to introduce new regulation, much as the requirement for a USACE-performed CBA created a barrier to consideration of water projects in the 1930s. The Reagan Administration was regarded as pro-business and anti-regulation and the imposition of a CBA requirement was seen at the time as a way to slow down or reverse the increase in consumer, worker, and environmental protection legislation enacted in the 1960s and 1970s (Shabecoff 1981). Reagan’s order

*sought to impose an “economic grid” on all policy decision making. Because of CBA’s basic market bias, its use would impose ... a business-oriented decision framework that systematically deemphasizes social benefits (Fischer 1990, 167)*

That ‘economic grid’ was strengthened by Reagan’s successors, Presidents Bush Snr and Clinton, who each issued executive orders requiring CBA, “affirm[ing] [CBA] as [a] bipartisan fixture[...] of American government” (Nou 2008, 613). Now, “it seems natural to use CBA as an aid in choosing how to spend scarce financial resources” (Cordes 2017, 99).

Whilst relevant, this necessarily partial and mainly US history of CBA, is too broad to adequately situate the use of CBA in NZ public policy-making, which has its own particular, if related, history, and so it is to this that I turn next.

### **3.2.1.1 Role of CBA in NZ public spending on health**

CBA has a long history in NZ public spending, but was largely limited to major capital investment decisions (Scott 1996, 11). However, in the late 1970s and early 1980s, some felt that the difficulties of estimating future events and erroneous input assumptions had led to a narrowness of focus and flawed decisions, and wanted instead “a broader approach based on assessing management and financial risk” (ibid). Far from abandoning CBA, this resulted in its ever-greater use, albeit with a greater degree of sophistication. The public sector reforms in the 1980s and 1990s were key to fostering and entrenching this ever greater use. I discussed these in relation to the NZ healthcare system in Chapter 2, Sections 2.2.1.1 and 2.2.2) so here note only that they were intended to promote cost-efficiency and cost-effectiveness (Andrews and van de Walle 2012).

This greater focus on efficiency included a NZ Treasury mandate that all public spending be assessed using CBA “or similar techniques” (New Zealand Treasury 2005, 3). Indeed, “[CBA] has

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<sup>57</sup> 100 existing regulations were also to be re-assessed using CBA (Shabecoff 1981).

enormous currency in ... policymaking” (Revesz and Livermore 2014, 11), seemingly outweighing all other criteria in public spending; whilst exceptions are permitted, these must be explicitly justified with “specific reasons why [CBA] has been overridden” (New Zealand Treasury 2005, 40).

By 2006 then, when the Herceptin debate started, CBA was entrenched and normalised in public spending decisions in NZ. In the next section, I survey the literature on accounting as discourse, to show how CBA’s consequences spread wider than the immediate context of its use.

### 3.3 Talking About The Numbers: accounting as discourse

Once confined to linguistics, discourse is now understood more broadly. Macintosh (2002) advocates accounting research emulating the ‘linguistic turn’ of the humanities and social sciences and moving away from considering accounting as a technical discipline towards treating it instead as a persuasive narrative or discourse, opening accounting to discursive analyses. However, ‘discourse’ has been used in such multiple ways that it requires careful definition (Alvesson and Kärreman 2000). In this study, I use the following definition:

*[D]iscourse is a shared way of apprehending the world [that] enables those who subscribe to it to interpret bits of information and put them together into coherent stories or accounts (Dryzek (1997) in Glynos et al. 2009, 8)*

CBA is used to make sense of ambiguous situations, so may be considered as discourse using this definition, and so in this section I position my study within the literature on accounting as discourse.

#### 3.3.1 Accounting as meaning-making

Accounting scholars have previously studied accounting as a meaning-making system. For example, Belkaoui (1978) attributes the effects of accounting on investment behaviour to its linguistic properties, whilst Hines (1988) and others (e.g. Arrington and Schweiker 1992) consider its role as both communication and communicative: discourses both help make things intelligible within a given context and organise that context (Ahrens and Chapman 2007). Ahrens and Chapman view ‘coding schemes’ like accounting or CBA as working to “structure the cognitive practices of social groups ... bias[ing] social perception” in predictable ways (2007, 4-5), and they draw on Hopwood (1989, in Ahrens and Chapman 2007) to comment on the visibilities created through these perceptual biases, such as the assumed primacy of shareholders’ interests. Such visibilities permit action, but have wider consequences, such as helping construct individuals as ‘governable persons’ (Miller and O’Leary 1987) by “set[ting] norms for ‘proper’ behaviour and



‘desirable’ outcomes” (Chua 1986, 625). Accounting thus has a disciplinary function, which links it to the exercise of power and hegemonic<sup>58</sup> influence on both minds and bodies (see e.g. Cooper & Hopper, 1987; Cooper 2015; Farjaudon and Morales 2013; Spence 2009; Tinker 1991). As Miller notes,

*accounting accords a specific type of visibility to events and processes, and in so doing helps to transform them. By calculating and recording the costs of an activity, one alters the way in which it is thought about and made amenable to intervention (Miller 2001, 393)*

These ‘transformations’ have lived effects, as Chua and Preston demonstrate through considering accounting’s use in healthcare, effects which they argue go deep as well as wide:

*Accounting-led initiatives ... have a profound constitutive role to play in shaping medical practice, the provision of health care and the experience of the patient as well as circumscribing the ground on which we are able to talk about health care (1994, 15)*

One outcome of the increasing focus on cost in healthcare is that hospitals become “less humane” as the drive for efficiency alters relationships between patients and healthcare professionals from focusing on individual health needs and providing care to focusing on cost-control (Morgan, 1988, 482). Lawrence et al. (1997) recognise a similar change in NZ’s health service after reforms changed its emphasis from “caring institution” where access to healthcare was a “fundamental human right”, to “successful business” where healthcare was a scarce “economic commodity” (1997, 680). Although the effects of such changes may be felt most strongly by those directly affected, they also have wider influence in the construction of ‘society’ as synonymous with ‘economy’.

Yet, as Lehman and Tinker (1987, 503) note, “[t]ypically, accounting is portrayed as a passive information service, dedicated to faithfully reporting on economic reality”, whilst Brown (2010, 487) suggests its outputs “are claimed to transcend politics and to be neutral, transparent and objective”. Hines (1988) disputes such purported neutrality, showing the ways accounting helps construct a reality consistent with its underpinning assumptions and choices. These often-unacknowledged assumptions and choices also inform explicit accounting choices, such as those discussed above in performing CBA. Morgan describes the perception of accounting as objective and value-free as ‘myth’, with its air of authority deriving more from societal power relations than any “superior insight” it gives to the nature of reality (1988, 481-482). The power relations and social norms assumed by accounting discourses, such as CBA, are therefore reflected in the reality they help to construct.

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<sup>58</sup> Henn et al. (2009, 204) define ‘hegemony’ as “the achievement of power by consent, rather than force”. Hegemonies principally serve the interests of a dominant group, but are accepted as legitimate by others. Counter-hegemonies are similarly consensual, but offer resistance to dominant ideals.

### 3.3.2 Social norms & political choices in accounting

McPhail and Walters argue that:

*[w]ithin the majority of Western economies, accounting is embedded within a free-market, capitalist, economic system. It helps to make that system work and it therefore implicitly promotes the values upon which that system is based (2009, 114)*

These systems regard humans as *H. economicus*, promoting behaviour reflecting such assumptions. Thus, accounting is involved in the construction of people as self-interested and competitive individuals, each trying to maximise their own utility through rational choice. Such systems assume that efficiencies in resource allocation arise from competition and its “associated disparity in financial incentives” (McPhail and Walters 2009, 120). *H. economicus* is assumed to choose freely between these incentives, and since individuals always maximise their own utility, the resulting distribution represents an optimal outcome, however unequal. Yet, as McPhail and Walters (2009) note, resource distribution is not simply a result of merit or individual choice, but also of structural factors, including differential access to capital.<sup>59</sup>

That accounting privileges certain interests and excludes or minimises others is a concern of critical accounting. For example, Chua (1996) argues that accounting privileges numerical or quantifiable information at the expense of the verbal or qualitative. As a calculative technology, CBA represents a complex, ambiguous world through numbers. Morgan describes this as metaphorical, a necessarily “partial and one-sided [...] view[...] of] the world”, adept at capturing some aspects but obscuring and distorting others (1988, 482). He argues that numbers limit accounting to capturing what can – or is chosen to – be measured. Since all metaphors carry the ‘freight’ of their other associations (Lee 1992), numbers are associated with objectivity, perhaps by association with the ‘hard’ sciences,<sup>60</sup> and regarded as particularly convincing in Western societies (Bebbington et al. 2007; Morgan, 1988). This, together with the privileged position accounting holds as a communicator of reality (Hines 1988) gives its technologies, like CBA, an authoritative and convincing character, making it useful for ‘hardening’ ‘soft’ information into more persuasive forms (Rowe et al. 2012) despite the “very ‘thin’ and limited characterization” of experience that numbers afford (Morgan 1988, 480).

Cooper (1992) and Hines (1992) are amongst those arguing that accounting’s focus on ‘hard’ numbers is one way it privileges the masculine ‘Yang’, “dominat[ing] and repress[ing] the realm of

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<sup>59</sup> “...including capital in all its new forms, such as social capital and intellectual capital” (McPhail and Walters 2009, 120).

<sup>60</sup> This phenomenon wherein ‘hard’ (i.e. numeric) data is considered superior to ‘soft’ (i.e. descriptive), has been termed ‘physics envy’ and criticised for unnecessarily restricting research’s potential for understanding the social world (see e.g. Thomas and Wilson 2011).

the Universal Feminine, or Yin” (Hines 1992, 314). Others argue that accounting privileges the concerns of the developed world and “largely erase[s] and ignore[s]” the ‘subaltern voices’ of the world’s majority peoples (Neu 2001, 320) and there are many critics of the dominant view within accounting of environmental impacts as ‘externalities’ (see Gray and Laughlin (2012) for a useful overview). This privileging of certain interests over others makes accounting and its technologies, such as CBA, inherently political, working to structure outcomes in particular ways. These political choices advantage some groups and disadvantage others, in ways consistent with its underlying assumptions. Yet, because accounting *looks* mundane, it naturalises these differences (Neu 2001).

This concludes my review of the main literatures relevant to my study. In the next section, I summarise the research gaps identified.

### 3.4 Summary of Research Gaps

The literature reviewed above shows that CBA claims to provide systematic, impartial, objective evaluations of competing resource claims. Its proponents find it useful for offering a like-for-like comparison<sup>61</sup> and quantitatively ranking disparate projects, based on a simple conceptual model. However, it is difficult to perform in practice, with many ‘difficult questions’ to resolve, such as inclusion/exclusion boundary determination, discount rate selection, and how to price intangibles like health. The attempted resolutions of these difficulties rely on analysts’ estimations and judgements, bringing its objectivity into question.

This literature also shows CBA’s critics worry about its exclusive focus on economic efficiency, to the detriment of other concerns, and its reliance on estimation and judgment making CBA a political tool, albeit one in denial of its politics. Being presented in numbers allows CBA to deny its political nature. This opens CBA to opportunistic use, enabling the powerful to claim impartiality whilst acting to further their own interests.

Nevertheless, CBA in policymaking appears to retain such a hold that “*there is no alternative to CBA*” in evaluating projects (Brent 2007, 21, emphasis added), a stance seemingly at odds with the debates it provokes. If rationality could fully explain CBA’s prevalence, would not the number and range of ‘difficult questions’ raised about its practice diminish its use? Work on accounting’s association with power indicates this may be one source of CBA’s dominance, and whilst there has been work on the ways accounting structures the cognition and bodies of individuals, there

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<sup>61</sup> Assuming the same quantification model is used for all projects.

### Chapter 3 – Locating This Study

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has been little to date on the affective aspects of why CBA's 'grip' is such that even its critics often appropriate or use its language.

The literature reviewed on accounting and discourse shows that accounting is accessible to discursive analyses, which are useful for surfacing and explaining contestations whilst the literature on social norms and political choices in accounting reveal it to be underpinned by neo-classical economic and utilitarian assumptions. These assumptions operate to promote the interests of capital and a world-view of people as self-interested, utility-maximising rationalists. This literature shows accounting to be active in constructing its social world and with consequences beyond those of its immediate effects. These include distributional effects, dehumanisation, and impacts on democracy, bringing CBA's impartiality into question.

Accounting, and CBA, has the potential to promote other interests and world-views than those it currently privileges. Several authors have pointed to its democratic potential (e.g. Frame and Brown 2008; Brown 2009; Dillard and Roslender 2011; Brown and Dillard 2013; Dillard and Yuthas 2013) and one way towards this might be to 'reactivate' the qualities currently suppressed in 'traditional' accounting, including the 'Yin' described by Hines as including:

*the values of caring, and sharing; the prioritizing of feelings; the reality and value of the non-marketable and non-material; the importance of the imaginative, intuitive and creative; a vision of the wholeness and interdependence of the world, and a knowledge of and faith in the creative potential of stillness, rest and silence (1992, 314)*

The "exclusion of emotion is highly problematic" for accounting's democratic potential (Brown and Dillard 2013, 187) as emotion arguably plays an important role in developing people's social and political identities.<sup>62</sup> A greater understanding of the role of affect and emotion in the subjectivities of the individuals involved and how this relates to the way particular ideas attain, maintain and lose 'grip' is therefore required, but few accounting scholars have investigated this. Exceptions include Bolton (2000), who examines the complexity of emotional management performed by organisational actors within the 'emotional organisation', arguing that this requires considering "organisations [...] as being a curious mix of both social arena and rational goal seeking tool" (159); Roberts (2009), who draws on Butler (2005) to argue that Lacanian concepts of responsibility and subjectivity which recognises that people can never fully know themselves offer ways to promote an 'intelligent' accountability based on "an ethic of humility and generosity" (2009, 969), and therefore cannot give a completely transparent account of themselves to others; and, Boedker and Chua (2013), who argue for regarding accounting technologies as "affective vehicles" having "the ability to entice and seduce actors to make imagined (and often ambiguous)

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<sup>62</sup> Including accountants' own professional identity of 'neutral' and 'unemotional' presenters of reality. I thank Judy Brown for this point.

futures a reality” and call for more work to “explore how accounting, affect and action can be related” (247, 263, 265). My study aims in part to respond to that call, adding to the ‘affective turn’ (Clough and Halley 2007; Gregg and Seigworth 2010) in accounting, through addressing the gap of CBA’s apparent paradox of being employed for a perceived objectivity, whilst requiring a series of highly subjective decisions to calculate, through the following research questions:

- RQ1.       Where is CBA present in the debate between 2006 and 2008 around funding Herceptin for early HER2-positive breast cancer in NZ? How is it presented? What role/s does it play?
- RQ2.       How has this positioning come about?
- RQ3.       How is CBA contested and defended in the debate?
- RQ4.       How can we account for CBA’s continued ‘grip’?
- RQ5.       How could CBA be otherwise? What other presences, presentations, and roles could CBA have had in this debate? How else could CBA have been contested and defended?

In the following chapter, I set out my theoretical framework for addressing these questions, the logics approach of Glynos and Howarth (2007).



### 4. Logics of Critical Explanation (LCE)

In this chapter, I present Glynos and Howarth's Logics of Critical Explanation (LCE) (2007) and explain how, as a post-structural discourse theory framework, it can help to surface the inherent politics in CBA and challenge its taken-for-granted norms, providing insight into their use in the Herceptin debate and addressing the research questions I presented at the end of Chapter 3.

The LCE framework engages the strengths of Ernesto Laclau's and Chantal Mouffe's work (writing both together and separately) in developing post-structural discourse theory (PDT) to focus on the role of political contestation and social norms in contemporary society. Building on this and Laclau's later work (see e.g. 1990, 1996, 2005) integrating PDT with Jacques Lacan's work on affect and identity, it offers a framework for both explaining and critiquing the struggles over the meaning(s) of CBA in the debate. Their integration of explanation and critique of the social and political relating to affect are reasons why I have chosen to employ this framework in my study.

The remainder of this chapter takes the following form: the first section lays out some key concepts of PDT, then the second section traces the connection between affect and identity in PDT. The third section shows how Glynos and Howarth (2007) build on these to create their LCE framework of three interlinked and mutually constitutive logics. The fourth section discusses the role of dislocation in LCE and links this to the Herceptin debate. The fifth and final section summarises the findings and conclusions of the other sections.

#### 4.1 Post-Structural Discourse Theory (PDT)

This section introduces PDT and focuses primarily on *Hegemony and Socialist Strategy* (1985), arguably Laclau and Mouffe's most influential work, which sets out their initial development and explication of PDT, with the aim of setting LCE within its intellectual context. As such, what I offer here is an abbreviated version of PDT, focused on the aspects which Glynos and Howarth (2007) employ in LCE.

Laclau and Mouffe (1985) describe their PDT approach as 'post-Marxist'<sup>63</sup>. They follow Gramsci (1971) in rejecting the clear division between base and superstructure found in traditional Marxist

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<sup>63</sup> This is not a universally-accepted label, with Cederström and Spicer listing several others, including "new theories of discourse", "Lacanian Left", and "Essex school". Cederström and Spicer themselves prefer "post-foundational", to recognise that even as some foundation is required for any discourse to make sense, that foundation is necessarily contingent (2013, 185).

thought and arguing instead for the role of discursive practices in creating and maintaining inequalities of power and resources through **hegemony**, which “is best understood as the *organisation of consent* [...] without recourse to violence or coercion” (Barrett 1991, original emphasis, in Jørgensen and Phillips 2002, 32). Laclau and Mouffe go beyond Gramsci, however, in bringing together post-Marxist thought with post-structuralist linguistics<sup>64</sup> to “combat[...] essentialism” (Townshend 2004, 269) and they argue instead for understanding the social world as constructed through discourse. In this view, nothing in the social world can ever be completely fixed or certain, so is always open to differing interpretations, with struggles over the fixture of meaning lying at the heart of the process of that construction. This process is outlined in the next sub-section through five key concepts within PDT: element, articulation, moment, discourse, and nodal point.

### 4.1.1 The fishing-net of discourse: key PDT concepts

*[W]e will call articulation any practice establishing a relation among elements such that their identity is modified as a result of the articulatory practice. The structured totality resulting from the articulatory practice, we will call discourse. The differential positions, insofar as they appear articulated within a discourse, we will call moments. By contrast, we will call element any difference that is not discursively articulated (Laclau and Mouffe 1985, 105, original emphasis removed)*

With these four short sentences, Laclau and Mouffe define four of five PDT concepts key to LCE. Whilst the sentences may be short, their ideas are complex, so to understand these four concepts, as well as the fifth of *nodal point*, and how they are used in LCE, I borrow Jørgensen and Phillips’ metaphor of a fishing-net: in the structuralist tradition, linguistic signs can be thought of as knots in a fishing-net, “deriving their meanings from [...] being situated in particular positions in the net” and the net as a whole forming a discourse. In a post-structuralist view, however, any fixation is necessarily contingent, so discourses form through attempts to fix those knots in position and acting *as if* such a net could be finalised (2002, 25).

**Elements** in PDT are signs that are not placed into relationship with other signs – they have not (yet) been knotted into the net. PDT, following the post-structuralists’ critique of Saussurian structural linguistics, conceptualises signs as having no intrinsic or essential meaning outside of their relation with other signs, so elements are ‘floating signifiers’, free to hold potentially any meaning depending on how they are placed with other signs: the word (sound-image) ‘fair’, for example, means different things (i.e. conveys different signifieds) when talking about the weather, or when valuing financial assets, than it does in a conversation about hair colour, and its emptiness of meaning cannot be ‘filled’ outside of such relational placement.

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<sup>64</sup> See also the discussion in Chapter 3 of post-structuralist accountings drawing on similar work.



**Articulation**, then, is Laclau and Mouffe’s term for the relational placement or connection of signs – the attempt at the fixture of meaning (i.e. signified) by connecting one sign with others, or in our metaphor, the act or process of tying specific signs into particular places in the fishing-net. The ‘knots’ so tied become **moments** in PDT – signs that have been (temporarily) fixed with a particular meaning in relation to the others in the ‘net’ – and the net as a whole becomes a **discourse**, a ‘structured totality’ that (temporarily) fixes the meaning of each knot in the net.

**Nodal points**, the fifth key concept of PDT for LCE, are “privileged moments [...] that function to stabilize” the meanings of other signs (Glynos and Howarth 2007, 179) but resist fixation themselves. That is, (rather straining our fishing-net metaphor) nodal points are especially important knots in a net of discourse, the ones that most strongly shape and give significance to the meanings conferred on the other knots with which they are articulated, but “remain empty of any particular content” themselves (Cederström and Spicer 2013, 190). For example, ‘free economy’ forms a nodal point in New Right discourses, helping to structure and fill with particular meaning other signs such as ‘privatisation’, ‘market mechanisms’, and so forth (D. Howarth, personal communication, 21 July 2014). Also known as ‘empty signifiers’ (Laclau 1996) and ‘master signifiers’ (Žižek 1989), nodal points work to “tie[...] together disparate elements in such a way that it appears as a totality” (Cederström and Spicer 2013, 189) and their continued emptiness of meaning leaves them open to different discourses articulating them into multiple, potentially contradictory, meanings as each discourse struggles to impose and naturalise its own fixation of meaning. As Laclau (1996) notes, demands for ‘democracy’ are commonplace in many political discourses, but different actors intend different meanings by it, with Marxists, for example, calling for “the complete democratization of society” (Draper 1974, 101) whereby workers rule through direct participation, whilst liberal democrats recognise democracy as rule by majority through elected representatives (Macpherson 1977). Such perpetual struggles to fix or settle particular meanings as the *only* possible meaning is why Laclau and Mouffe grant politics and contestation (rather than material economic conditions, as in classical Marxist thought) a central role.

All fixations in a discourse are achieved by excluding all other potential meanings of the signs within it, and all elements not articulated within it. These exclusions involve the exercise of power (Howarth 2010) to constitute the discursive field, a ‘constitutive outside’ (Laclau 1990; Mouffe 2000) that forms the meaning of the inside from what it is not (i.e. a negative relation). This leaves discourses vulnerable to disruption – from both within and without – through the capacity of signs to hold a multiplicity of meanings. As meaning can never be fully fixed, a sign’s alternative meanings that were exiled to the discursive field in one articulation may be reactivated at any time by another, and what was a moment can again become an element. Similarly, elements or

competing discourses in the discursive field can threaten an existing discourse, particularly through the articulation of their nodal points into other nets of meaning and so articulations are best understood as “contingent interventions in an undecidable terrain [that] constantly shape and intervene in [...] meaning in unpredictable ways” (Jørgensen and Phillips 2002, 29).

Unpredictable outcomes are inherent in articulatory practices. Recall that in Laclau and Mouffe’s definition elements are not only fixed by being articulated into moments, they also have ‘their identity [...] modified as a result’. This is for two reasons. The first is that each ‘knot’ has a different and specific relation to each of the others in its ‘net’, conferring a particular meaning upon it *in this specific set of relations*. In another articulation, the same element would form a different moment, with a different specific set of relations. The second reason is that the impossibility of complete fixture implies that each social act (use of the fishing-net of related signs in our metaphor) – even those that appear to be simple repetitions of earlier ones – is itself an articulation, conferring new identities (meanings) on each sign such that “[s]truggles at the discursive level take part in changing, as well as reproducing, social reality” (Jørgensen and Phillips 2002, 9) because whilst “on the surface, [empty signifiers] often seem simple and ideologically neutral [...] they can possess a latent meaning potential that is complex and multifaceted” (Rear and Jones 2013, 381).

If discourses can only temporarily fix meanings, leaving them unstable and vulnerable to disruption, how do some discourses become naturalised to the point they are seen as so ‘commonsensical’ that “there is no alternative” (Brent 2007, 21, referring to CBA)? This is the role of hegemony, and so it is to PDT’s account of how discourses gain, keep, and lose this that I turn in the next sub-section.

### 4.1.2 Gaining, keeping, and losing consent: hegemonic practices in PDT

*The practices of articulation through which a given order is created and the meaning of social institutions is fixed, are what we call ‘hegemonic practices.’ [...] Things could always have been otherwise and every order is predicated on the exclusion of other possibilities. [...] What is at a given moment accepted as the ‘natural order’, jointly with the common sense that accompanies it, is the result of sedimented hegemonic practices; it is never the manifestation of a deeper objectivity exterior to the practices that bring it into being. Every hegemonic order is susceptible of being challenged by counter-hegemonic practices which attempt to disarticulate it in order to install another form of hegemony. (Mouffe 2008, , emphasis added)*

Here Mouffe argues that all articulations aim ultimately at establishing, reinforcing, or disrupting hegemony: hegemonic projects articulate the same empty signifiers in discourse across different social spaces in an attempt to stabilise their preferred meaning and “establish order in a context of contingency” (ibid). Where repeated articulations or other exercises of power reinforce that preferred meaning, they can eventually lead to it becoming stabilised or sedimented to the point

of being taken for granted as ‘true’ and inevitable. At this point, it is said to be **hegemonic**, “a dominant horizon of social orientation and action” that renders other potentialities impossible (Torfing 1999, 101). To disrupt a hegemonic discourse, counter-hegemonic projects use the same means to de-naturalise it – and substitute their own meanings as the hegemonic ‘natural order’ – articulating empty signifiers across competing discourses but with different meanings attached.

Through the process of becoming hegemonic, a discourse’s origins and inherent contingency are concealed (Laclau and Mouffe 1985). That is, the historical struggles over its meaning and the way it came to be perceived as the ‘natural order’ of things are forgotten and the hegemonic meaning becomes seen as “something that was always-already part of [its] core identity” (Cederström and Spicer 2013, 190), rather than a contingent, temporary stabilisation. Such ‘covering over’ of contingency is referred to in PDT as **ideology**, being the denial or “non-recognition of the precarious character” of meaning (Laclau 1990, 92). Thus, in PDT, ideology is understood not as dogma or orthodoxy – what might be thought of as the content of a system of belief – but as “the imaginary relationship of individuals to their real<sup>65</sup> conditions of existence” (Althusser, 1971, in Glynos and Howarth 2007, 117). As with many PDT concepts, it is informed by an attitude of relation, rather than absolutes.

Thus the concealment of contingency is one aspect of PDT’s conception of how discourses become hegemonic (through winning the discursive struggle to be accepted as ‘true’), but also part of how hegemonies get sustained as well as replaced. In giving the appearance of ‘naturalness’ and ‘only common-sense’, the concealment of contingency makes it harder to meaningfully challenge a hegemonic discourse, reinforcing and sustaining it. However, as Mouffe (2008) makes clear, hegemonies are only ever replaced, not removed, by counter-hegemonic practices eventually building a new consent that a different discourse is ‘more true’, (potentially<sup>66</sup>) exposing the contingency of the old and instituting a new hegemonic ‘truth’.

Whilst this helps to explain *how* hegemonic consent is gained, maintained, and lost, the question remains of *why* particular discourses take (or maintain) hold whilst others fail. To address this, in the next sub-section I outline PDT’s account of identity and its role in establishing, maintaining, and destabilising hegemonies.

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<sup>65</sup> Laclau and Mouffe (1985) reject Althusser’s materialism, with the effect that in PDT those ‘real conditions’ are not externally given as the result of economic determinism, but by the results of discursively constructed subject positions (Jørgensen and Phillips 2002).

<sup>66</sup> For more on why radical contingency is only potentially laid bare, see Section 4.4 below on responses to dislocation in LCE.

### 4.2 Interpellating a Split-subject: identity and affect in PDT

In *Hegemony and Social Strategy*, Laclau and Mouffe (1985) linked ideology with identity by articulating Althusser's (1971) concept of **interpellation** with Lacan's (1977) **split subject**, an articulation Laclau continued in later work (2005; e.g. 1990, 1996), deepening PDT's theorisation of identification. In Lacanian psychoanalysis, subjects are seen as fundamentally fragmented and incomplete, always struggling to 'suture' the fundamental split in their identity and become whole. Interpellation places individuals into the subject positions<sup>67</sup> made available by ideological discourses, giving a subject opportunities to attempt wholeness through identification with those positions. Such wholeness is impossible, however, not only because Lacan's ontology is one of lack (for more on this see Section [4.4.3 below on LCE's fantasmatic logics), but because subjects are interpellated by multiple competing logics at once and a subject's fragmented self responds to (identifies with) many discourses and subject positions, even where these compete or contradict. This will generally go unnoticed by an individual as she is interpolated into her many different subject positions – 'colleague', 'volunteer', 'student', 'pet owner', 'grand-daughter' for example – until differing discourses attempt to interpolate her into incompatible subject positions at the same time. An example of conflicting interpellations is for working parents when the expectations of the subject position 'good worker' (perhaps working long hours) conflict with the expectations of the subject position 'good parent' (perhaps the whole household eating dinner together).

In PDT terms, the subject positions offered by discourses represent nodal points of identity, which, as discussed above, get articulated into, and given meaning by, multiple discourses. This is achieved through forming chains of equivalence that 'fill' nodal points' emptiness of meaning through a relation of equation with other signifiers. In Jørgensen and Phillips' example, the nodal point 'woman' is often discursively equated with 'passive' and 'cooking' amongst other meanings, but especially as 'not-man', where 'man' is equated with, for example, 'football' and 'strength', "provid[ing] behavioural instructions [...] to follow in order to be regarded as a (real) man or woman". Thus, it is by being represented *as* something (e.g. 'woman') that a subject acquires that identity (2002, 43), with its attendant expectations of behaviour.

By linking PDT's ontology of radical contingency with Lacan's constitutive lack, Laclau connects the 'ideological' covering-over of contingency with identification and takes us a step closer to why

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<sup>67</sup> The term 'subject position' refers to the roles that discourses make available in a given situation. With these roles come particular expectations about what is acceptable behaviour, speech, dress, and so forth. Jørgensen and Phillips (2002, 41) give the example of the 'doctor' and 'patient' roles in a medical consultation, where these are differentiated by, amongst other things, who has the authority of diagnosis, and even to say whether the 'patient' is indeed sick.

some discourses ‘stick’ and others do not, through “provid[ing] the subject with a ‘driving force’ as it constantly tries to ‘find itself’ through investing in discourses” (Jørgensen and Phillips 2002, 42). That ‘driving force’ is the affective investment in particular identifications and Laclau, following Žižek (1989), argues that “affect is required if signification is to be possible” (2005, 111). Affect is a term from psychology for the embodied experience of emotion or feeling that has been appropriated by psychoanalytic thinkers to refer to “a substrate of potential bodily responses, often autonomic responses, in excess of consciousness [...] linked to the self-feeling of being alive” (Clough 2007, 2). This draws attention to the embodied and emotional aspects of identification and by “[i]ncluding affect in the analysis of discourse enables us to consider why we gravitate towards some nodal points rather than others” (Cederström and Spicer 2013, 191).

To include affect in analysing discourse, PDT draws on Lacan’s ontology of lack, in which identity (meaning) is always incomplete, due to an inherent ‘gap’ preventing final closure. Lacanian psychoanalysis holds that such instability of identity and meaning is psychologically uncomfortable and experienced by the split-subject as desire, a pre-conscious yearning for an impossible ‘wholeness of being’. Desire prompts subjects to constantly endeavour to suture the split by filling or covering over the ‘gap’ through making identifications with discourses offering **fantasies** of ‘fullness’ in different closed or finalised meanings<sup>68</sup>, for example a ‘good parent’ is one who eats dinner with their family each night. The closure that fantasies promise are ontologically impossible to achieve, however, frustrating the subject’s attempted closure and eliciting an embodied experience of *jouissance*<sup>69</sup>, a psychoanalytic term for the affective, embodied response of individuals to the experiences they encounter. This remains at least partially outside of discourse<sup>70</sup> and “the constant failure of fantasy to deliver [*jouissance*] produces desire” (Müller 2013, 284) and so lack, fantasy, *jouissance*, and desire exist in a dialectic relationship, each structuring and shaping the others, creating the conditions for an affective investment in particular discourses and subject positions.

Thus it is this flow of lack-*jouissance*-desire, via fantasy, shown in Figure 3 below, that PDT draws on to explain the ‘why’ of hegemonic institution, maintenance, and waning – discourses that elicit

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<sup>68</sup> This ‘ur-Fantasy’ – of closure being possible – is presupposed by and informs every offered fantasy promising a particular ‘content’ of closed meaning.

<sup>69</sup> *Jouissance* is typically translated as ‘enjoyment’, though it is not to “be understood as a synonym for pleasure” as it is “often [...] consciously experienced as suffering” (Glynos and Howarth 2007, 107). Yet, psychoanalytically speaking, there is a paradoxical ‘pleasure in displeasure’ in which even unpleasant emotions give an emotional ‘pay-off’. This is a counter-intuitive and difficult concept to grasp. A corollary of *jouissance* might be seen in the fear generated by horror movies or rollercoasters: normally regarded as negative or unpleasant, fear in these situations gives us pleasure. The difficulty of regarding both pleasant and unpleasant emotions as ‘enjoyment’ prompts me to retain Lacan’s *jouissance* in preference to *enjoyment*.

<sup>70</sup> As affective experiences are embodied and non-cognitive responses, they cannot be fully captured in discourse, which is defined in Chapter 3 as a shared system of meaning, hence *jouissance* remains, at least partially, extra-discursive.

stronger experiences of *jouissance* are likely to produce stronger identifications, giving them an advantage in being reinforced and so attaining and maintaining hegemony.

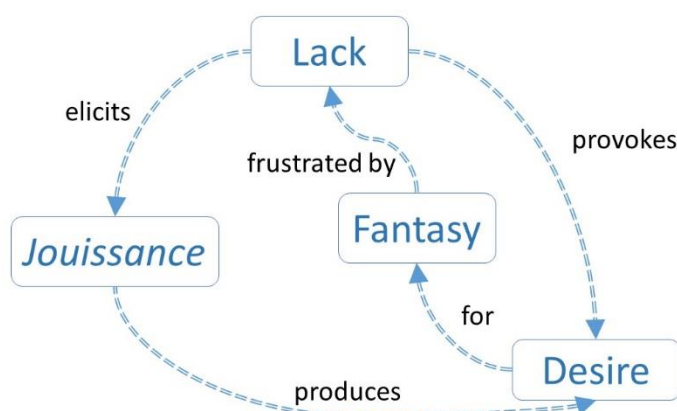


Figure 3: Dialectic relation of lack, desire, fantasy, and jouissance

This concludes my presentation of aspects of PDT key to LCE. In the next section, I lay out how Glynos and Howarth (2007) build on these to develop their framework of three inter-linked and mutually constitutive logics.

### 4.3 Practices, Regimes, and Dislocation in LCE

(Note: Page numbers without citation in this section refer to Glynos and Howarth (2007).)

This section lays out LCE's ontological foundation and its conception of social reality. It begins by presenting Glynos and Howarth's (2007) model of practices and regimes, before moving to the role of dislocations.

LCE has two ontological presuppositions, shared with PDT: one, that “all practices and regimes are discursive entities”<sup>71</sup>; and two, that “any field of discursive social relations is marked by **radical contingency**”; that is, all identity or meaning is intrinsically (rather than contextually or situationally) unstable and can never be finalised (p. 109, emphasis added). Together these presuppositions mean that any particular practice or regime, including CBA's use in public policy decisions, can never be inevitable or ‘natural’.

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<sup>71</sup> This does not deny the existence of a physical reality outside of discourse, only that this can have no *meaning* outside of discourse.

In describing regimes and their relationship with practices, LCE distinguishes between two types of practice, social and political. I describe these in the next sub-section.

### 4.3.1 Social and political practices

**Social practices** are “the ongoing, routinized forms of human and societal reproduction” (p. 104), taken-for-granted or ‘normal’ habits that do not require us to consider carefully, if at all, what we are doing or why, such as sometimes routinely using economic evaluations like CBA to weigh public policy options. Importantly, “every social practice is also *articulatory* ... linking together different elements of [people’s] social lives” as well as “connect[ing] the present with the past and the future”. This acts to conceal the “inherent contingency” of such practices through giving the appearance of a seamless whole (pp. 104-105, original emphasis). This seamlessness is illusory, however, since radical contingency leaves an intrinsic ‘gap’ in meaning. **Dislocations** occur whenever that apparent seamlessness is disrupted, requiring a subject to ask herself ‘how am I to go on?’ The many possible responses to this question “highlight[s] [...] that the existing system represents only one way of organizing social relations” (p. 104), and so dislocations require moments of self-reflection to select a course of action, offering opportunities for new or different identifications to (try) fill the ‘gap’. The Herceptin debate was the first significant challenge since Pharmac’s institution to its use of CBA in its funding decisions, and so I argue for this as a dislocation. The debate challenged some taken-for-granted assumptions of CBA and required participants to reflect on ‘how to go on’ and make explicit arguments for and against it as ways to fill the ‘gaps’ in meaning exposed by the debate. Such arguments are understood in LCE as ‘political practices’.

**Political practices** offer a way to attempt the closure of those ‘gaps’. These are “struggles that seek to challenge and transform the existing norms, institutions and practices – perhaps even the regime itself – in the name of an ideal or principle” (p. 105). Chief among these struggles is to define the boundary or political frontier between opposed camps (achieved using logics of equivalence and of difference, discussed below in Section 4.4.2). Political practices rarely go unopposed, however, and the powerful attempt to break up coalitions of opponents by stressing the differences within the challenging group. These are also logics of equivalence and difference, drawing different boundaries. Dislocations end when one or other boundary becomes dominant, instituting a new (or sedimenting an old) taken-for-granted social practice.

Practices form part of regimes in LCE and in the next sub-section I discuss how these two relate.

### 4.3.2 A simplified model of practices and regimes

“[A] regime is always a regime *of* practices” (p. 106, emphasis original) and so in LCE, **regimes** are seen to structure social practices and give them a character, such as capitalist, socialist, or neo-liberal. Glynos and Howarth note that each regime is “always defined in opposition to a contested regime ... and this oppositional contrast colours the regime’s practices” (p. 106). Söderbaum’s Positional Analysis (1982), for example, is defined in opposition to and coloured by the practices of CBA. Such definitions are changed through political struggles, enacted through political practices, and regimes are changed when a politically-drawn boundary achieves a ‘saturation point’ and is incorporated into the ‘content’ or hegemonic character of the regime, thereby altering the structure of its social practices, as illustrated in Figure 4 below.

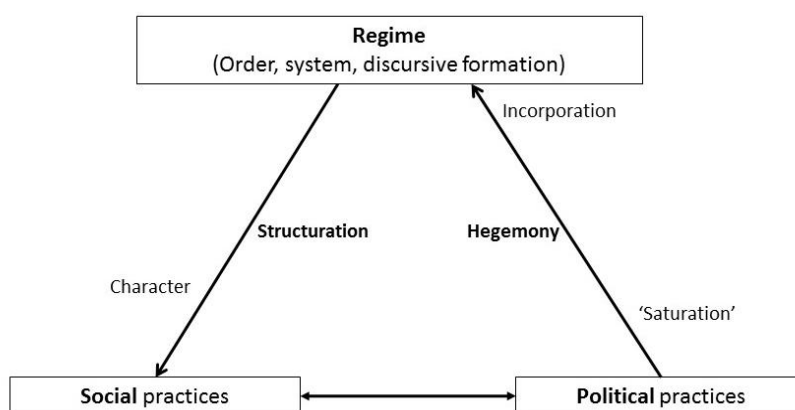


Figure 4: A simplified model of practices and regimes (based on Glynos and Howarth 2007, 105)

This model, whilst an analytically useful step in developing LCE, is too simplistic in treating regimes, social practices, and political practices as distinct phenomena acting on each other ‘at a distance’. To discuss how a more complex model may be developed, I need first to outline how responses to dislocations change (or fail to change) practices and regimes.

### 4.3.3 Two axes of response to dislocation: ethical- ideological, political-social

A subject’s potential responses to dislocations have two dimensions – **ethical-ideological** and **political-social**. The former refers to the degree to which a response acknowledges the radical contingency of social relations, the latter to the degree to which it foregrounds public contestation. At moments of dislocation, a subject’s identity is threatened along with her taken-for-granted practice and she must make a fresh identification. It is at such moments that she “is called upon to confront the contingency of social relations more directly” than at others (p. 110). It is not,



however, inevitable that she also becomes aware of the irreducibility of this contingency and so the authenticity of her response becomes a question. In LCE, an **authentic**<sup>72</sup> response is one that acknowledges the inherent contingency of any social practice and is deemed an **‘ethical’**<sup>73</sup> response; an **inauthentic** response is one that denies or is complicit in covering over inherent contingency and is deemed an **‘ideological’**<sup>74</sup> response (p.110). Thus any potential response to a dislocation may be characterised on an ethical-ideological axis according to the degree to which it “acknowledge[s] and tarrie[s] with” or “denie[s] and conceal[s]” the radical contingency of social relations (p. 111).

The second dimension of potential response to a dislocation relates to the degree of public contestation provoked. **Public contestation** is “the contestation of [socially constituted] norms [...] in the name of an ideal or principle” (p. 111), making explicit other possibilities and exposing the contingencies of existing social relations. It therefore possesses a “privileged status” in regard to radical contingency (p. 111). For this, and because it provides “the source of novelty in the social world” (p. 120), public contestations – as in the Herceptin debate – offers useful entry points for LCE analyses. In LCE terms, a **political-dominant** response is one that foregrounds contestation, whilst a **social-dominant** response is one that does not, re-emphasising the taken-for-granted. As with the ethical-ideological dimension, a dislocation need not provoke a political response. Many dislocations provoke sedimented, low-contestation responses unchallenging of constitutive norms, as in debates over the discount rate to use in CBA. The political-social dimension is also linked to radical contingency, as a social-dominant response implies a ‘forgetting’ of radical contingency, whilst a political-dominant response ‘reactivates’<sup>75</sup> it through offering a vision of how things could be otherwise (p. 116). These aspects of LCE resonate with the ambitions of dialogic accounting’s project to multiply the available ‘voices’ of accounting through, for example, generating counterfactuals (see e.g. Tully (2008) on ‘thinking otherwise’) and I link these further in Chapter 5 when presenting my methodological choices.

Together, these two dimensions may be considered to provide ‘coordinates’ for mapping any potential response to a dislocation based on its degrees of authenticity and of public contestation, as Figure 5, adapted from Glynos and Howarth’s Figure 3 (p. 122), shows.

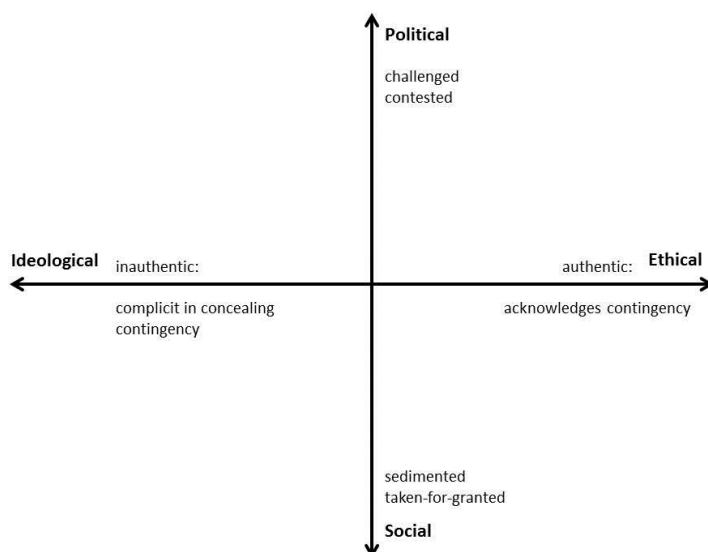
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<sup>72</sup> Similar questions of authenticity have also been raised in the accounting literature (see e.g. Brown 2009, on recognising divergent perspectives; and O’Leary 1985, on intellectual honesty).

<sup>73</sup> Understood as a “modality of subjectivity” alive to “the ultimate contingency of social existence” (p. 119), not a concern with normative questions of ‘what is right’.

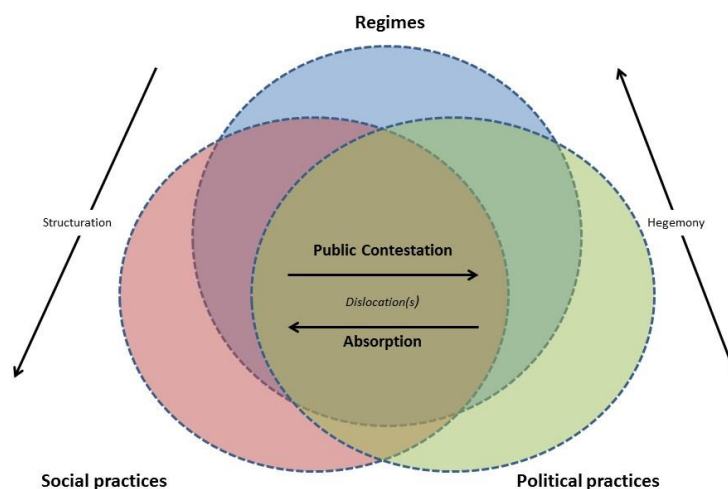
<sup>74</sup> Ideological, that is, in PDT terms (see Section 4.1.2 above for a definition).

<sup>75</sup> This is so even when this contingency is not explicitly recognised by the participants involved. That is, it is possible to have responses to dislocation that are both political and ideological. For more on this, see Section 4.4.3 on the function of fantasy in political practices.



**Figure 5: Dimensions of potential response to dislocation**

Glynos and Howarth stress that the social and political are interlinked, mutually entwined, and inextricably indistinct – the ‘boundary’ between them shifts constantly and is neither fixed nor settled. Thus a given response may at one time and place be social dimension-dominant and at another political dimension-dominant. This unsettled quality of social reality leads to the more complex model of practices and regimes illustrated below in Figure 6, which both depends on and gives insight to the interdependent nature of practices and regimes.



**Figure 6: A complex model of practices and regimes**

As in the simple model, regimes structure social practices, which are challenged by political practices that, when they reach a threshold of acceptance or dominance, achieve a hegemony that alters the content or character of the regime. In this more complex model, however, these aspects

are mutually constitutive, not isolated and act on each other ‘at a distance’. Political practices are also (at least partially) social practices, structured by the regime/s within which they take place. High-Pippert’s (2005) examination of ‘mom discourse’ in campaigns by women activists demonstrates this, finding that they are expected to perform the socially-condoned role of concerned ‘mom’. Those who do not may be ignored, ridiculed, or have it imposed on them by others, including the media.

Nor are social practices fully independent of political practices, as practices only become dominant, and thus hegemonic, through adoption and use. Practices ‘move’ between the social and political, so their use can be seen to lie on a continuum of more or less conscious choices from a plurality available. Even routine acts occur in a unique context and thus form articulations with their own ‘kernel’ of radical contingency, with even the most taken-for-granted practice reflecting the political practices of its institution and sedimentation. For example, every CBA using NPV replays in attenuated form the initial struggle to recognise a difference between today’s and future dollars, as it involves a judgement, however unconscious, to use NPV and thence to select a discount rate to use. Social practices and political practices are both structured by the regime in which they take place, whilst at the same time, it is largely these practices that constitute the regime itself and give it its character: accounting’s fair-value asset valuation regime, for example, barely exists outside of the practices that define it.

That multiple logics are always at play in a regime is a consequence of radical contingency, reminding us that things could always be different. One proposed option for how accounting ‘could be different’ is dialogic accounting (see e.g. Dillard and Yuthas 2013, , for its differences to current hegemonic ‘traditional’ accounting; Brown and Dillard 2013; Brown 2009). Given those different assumptions, a dialogic CBA would be structured differently to current models of CBA based on the assumptions<sup>76</sup> of welfare economics.

Dislocations provoke both the public contestation of social practices and the absorption of political practices into social practices. It is at times of dislocation that actors are compelled to identify around different discourses and then act upon those identifications. In so doing, their actions incorporate practices structured by the regime(s) within which they act.

This leads us to LCE’s framework of three inter-linked logics as an “explanatory schema” for forming a critical explanation of a regime and its practices (p. 106). In the next section, I outline

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<sup>76</sup> See Chapter 2 for more on the assumptions within current models of CBA.

each of the three types of logic (social, political, and fantasmatic), to fill out a schema to look at the ‘what’, ‘how, and why’ of regimes and practices.

### 4.4 Three Interlinked Logics: social, political and fantasmatic

(Note: Page numbers without citation in this section refer to Glynos and Howarth (2007).)

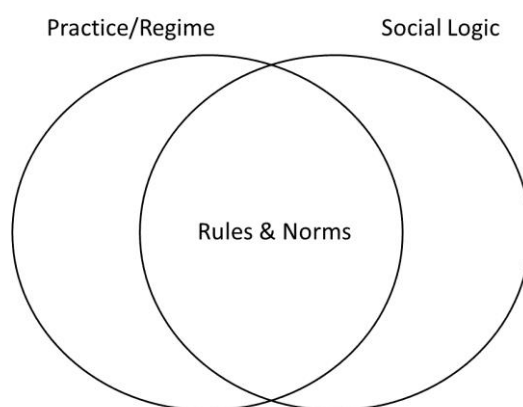
Given the above, how might LCE help to explain CBA’s continued ‘grip’ in public policy decision-making? Glynos and Howarth argue for a ‘vocabulary’ of **logics**, that capture “the overall pattern or coherence” or “regularity in dispersion” of discursive practices like CBA (p. 139). Such a vocabulary would permit a contingent, localised characterisation of specifics, whilst also allowing linkages with other situations, to understand, explain, and critique those practices through the logics that “capture those aspects which make [them] tick” (p. 135). The ‘building blocks’ of LCE are formed by three inter-linked logics – social, political, and fantasmatic – and I present these in turn below.

#### 4.4.1 Social logics

**Social logics (SLs)** are largely descriptive in nature, serving to “characteri[se] a particular social practice or regime” (p. 137), encapsulating what ‘counts’ as, for example, CBA. This unity is not of content – not all CBAs are conducted the same way – but of ‘family resemblance’ in their “overall pattern” (p. 139). To characterise a practice or regime, we start with its ‘rules’ and norms, for these show its “purpose, form and content” (p. 108) and can be seen in answers to questions such as ‘what is CBA?’, ‘how do you do CBA?’ and ‘what results from CBA?’ Those rules might be explicit, such as the NZ Road Code, which mandates driving on the left, or tacit, such as the way most pedestrians in Wellington keep left too.

These rules and norms work to generate the ‘conditions of possibility’ that structure the boundaries of what subject positions and objects are im/possible in a given regime of practices (p. 138). In Glynos and Howarth’s example, subject positions of ‘white’ and ‘non-white’ were available to South Africans under the racial logic of apartheid, but non-racial identities were impossible. Similarly in accounting, every expenditure must be recorded as either an asset or an expense – no other possibility exists – or, for CBA, an item must be quantifiable, else excluded. Were accounting, or CBA, structured differently – if we accounted separately for Martinez-Alier’s (1995) ‘destructive’ and ‘productive’ capitals, say – different options, currently impossible or unthinkable, would become available.

The “self-interpretations of the social actors involved” are necessary but not sufficient to identifying SLs, since the analyst herself brings something to the interpretation and naming of them (p. 139). **Naming** is important within PDT, as it carries a “performative dimension” intimately linked with the identity or meaning of the thing so named (Laclau 2005, 103): it is the judgement involved in “[t]he very naming of a social logic [that] serves to gather together [...] what is ultimately a heterogeneous field of elements that have no ‘objective’ or ‘necessary’ connections” into a logic (p. 194). In other words, the analyst – and her exercise of judgement – is part of creating the logics she names. Thus, even though rules and the self-interpretations of social actors involved in following them are both critical to recognising SLs, they “are not reducible to them” (p. 139) – the surplus includes (some of) the analyst’s own subjectivity as well as their knowledge and understanding of the practice<sup>77</sup>. For this reason, a practice or regime consists of more than the rules or norms that characterise it, which in turn are part of, but do not exhaust, its SL(s), as shown in Figure 7 below.



**Figure 7: Relation of rules and norms to practices, regimes and social logics**

This figure also illustrates that SLs are more than simply the social contexts within which practices occur and they may ‘cross over’ into different contexts, although “one cannot do so unproblematically and without explicitly forging new links with the new context” (p. 140). Linking across different contexts is, in PDT terms, a new articulation, altering the meaning of the elements involved. For more on what this entails for LCE analyses, and what is involved for the analyst making those links, refer to Chapter 5, where I outline LCE’s ‘method of articulation’ as a research strategy.

The descriptive characterisation provided by SLs is a starting point for LCE analysis. Once articulated together with the political and fantasmatic logics, the task is to “explain *and* criticize the practices and regimes under investigation” (p. 139, emphasis original). To do this, we need also to

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<sup>77</sup> C.f. Crotty’s discussion of researcher-as-*bricoleur* (1998, 49-51).

understand how and why they came to be as they are. The ‘how’ involves political logics and so I consider these next.

### 4.4.2 Political logics

If SLs delineate what ‘counts’ as a practice or regime, then how are their boundaries formed? This is the role of **political logics (PLs)**, which “capture those processes of collective mobilization” concerned with how practices and regimes come to be adopted, challenged, changed, and defended (p.141). They can be found in the answers to questions such as ‘how did CBA get to be as it currently is?’, ‘how should CBA be?’ and ‘what are the challenges to/defences of CBA?’ Here, LCE links to PDT’s ‘primacy of politics’ (Laclau 1990, 33) for its understanding of how hegemonies are instituted, maintained, and disrupted, with PLs being the means by which hegemonic projects express their articulations of discursive elements (and attempt to de-articulate those of others) in their attempts to build or keep consent. As such, PLs play a role in both the institution and de-institution of practices or regimes since no practice or regime arises in a vacuum: a new or replacement practice or regime always depends on “successfully displac[ing]” a predecessor (p. 142; also Mouffe 2008).

PLs relate to the drawing of boundaries in a social space because this is where contestation occurs – and thus the potential for change is located. The boundary between what is considered social and what is political is “not fixed, but in a constant state of flux” (p. 117) and this fluidity exposes radical contingency – the “*inherent* (as opposed to incidental) instability of an object’s identity” (p. 109, emphasis added) – requiring moments of identification. Together these create opportunities for PLs to “discursively articulate” the limits of inclusion and exclusion through logics of equivalence and difference (p. 143), which I outline next.

#### 4.4.2.1 *Logics of equivalence and difference*

**Logics of equivalence (LoE)** are related to PDT’s chains of equivalence (described in Section 4.1.2). By articulating elements within a chain of equivalence, LoEs discursively simplify a social space “into two hostile camps” – typically an “acceptable and pure” ‘us’ versus an “unacceptable and impure” ‘them’ – bringing together otherwise disparate entities into alliance against a common enemy (pp. 142-143). LoEs “capture[...] the *substitutive* aspect of relation” (p. 144, original emphasis), where one element on the same ‘side’ of the constructed frontier may be substituted for another, as all are alike, even if the only thing they share is their difference from those on the ‘enemy’ side. The old phrase ‘my enemy’s enemy is my friend’ captures this substitutive aspect.

For example, the so-called ‘vegans and Volvos’ alliance in the late 1990s brought together the previously unlikely combination of ‘deep green’ environmental activists and conservative local homeowners concerned about their property values to protest a planned expansion of Manchester Airport in northern England (Griggs and Howarth 2002, 2013). These groups had very different histories, outlooks, and reasons for wanting to stop the airport expansion, but their common opposition to a planned second runway united them, erasing their differences (at least for the duration of the protest alliance) in the recognition of a common foe.

By contrast, **logics of difference (LoD)** work to discursively separate and differentiate a social space, aiming at breaking the equivalential chains formed by LoEs. These logics focus on restoring the differences that LoEs attempt to erase, “capturing the *combinatory* aspect of relation”, where elements are kept “distinct, separate, and autonomous” from others (p. 144, original emphasis). LoDs work through emphasising particularity over generality, in “[t]he age-old practice of ‘divide-and-rule’” (p. 145), as in the ‘predict and provide’ model of aviation planning in post-war Britain, which considered each airport and its plans in isolation rather than forming a national policy or response, thereby effectively “negating collective opposition” (Griggs and Howarth 2013, 117).

LoEs and LoDs work together to highlight the “dynamic process” by which discourses construct, challenge, and defend the boundaries of social practices: one logic will dominate the other to draw a particular boundary but neither ever quite eclipses the other (p. 144), and they can be seen as a dialectic structuring a social space through correspondence and division. PLs thus “furnish[...] us with a conceptual grammar with which to account for the *dynamics* of social change” (p. 145, original emphasis).

If PLs describe the ‘how’ of practices’ and regimes’ institution, maintenance, and de-institution through the contestation of boundaries, what accounts for why particular PLs ‘win out’ in defining a particular boundary? This is the role of fantasmatic logics in LCE, and so I describe these next.

### 4.4.3 Fantasmatic logics

**Fantasmatic logics (FLs)** answer Müller’s question of “Why do subjects ‘turn around when ... called?’” by particular discourses? (2013, 282). In other words, FLs provide the ‘force’ that underlies “the resistance to change of social practices (the ‘inertia’ of social practices), but also [...] the speed and direction of change when it does happen (the ‘vector’ [...])” (p. 145), giving insight into why some particular boundaries get settled and maintained, but others do not. Understanding the ‘grip’ of CBA therefore requires understanding the ‘call’ of its fantasmatic logic/s.

## Chapter 4 – Logics of Critical Explanation

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That ‘call’ works through FLs providing narratives of fantasies, or fantasmatic objects that “structure the way different social subjects are attached to certain signifiers, and on the different types of [*jouissance*] subjects procure in identifying with discourses and believing things they do” (Howarth 2010, 326). Subjects’ existing modes of *jouissance* help frame their responses to both routine and novel experiences by predisposing them towards particular identifications around fantasies consonant with their existing identifications. This helps explain why certain fantasies<sup>78</sup>, such as CBA being objective, help to structure its meaning, even for those who oppose it.

Fantasies, whilst infinitely variable in content, may take one of two general forms, beatific or horrific. Beatific fantasies are those which “promise[...] a fullness-to-come once a named or implied obstacle is overcome”; that is, they promise a wonderful (and sutured) future, but only when (or if) the obstacle preventing its realisation is removed, and so the obstacle forms a threat to that beatific promise. Horrific fantasies, on the other hand, promise terrible calamities if the obstacle cannot be removed: they “foretell[...] of disaster if the object proves unsurmountable” (p. 147) and so “[o]ur subjective desires and identifications are thus sustained by the threats posed to our ideals and dreams” (Howarth 2010, 322), with beatific and horrific fantasies working hand-in-hand.

FLs provide the ‘inertia’ for social practices by moving radical contingency away from consciousness, operating “to actively contain or suppress the political dimension of a practice” (p. 146). That is, they operate ideologically, working to normalise and sustain existing social arrangements, deflecting or subduing potential challenges before they can disrupt the current structure. One operation of this is often to permit or ignore low-level infractions of social rules – as Glynnos and Howarth note, a social practice or regime “does not necessarily need to colonize [subjects’] minds [...], only their discursive practices” (Fleming & Spicer 2003, p.164 in Glynnos and Howarth 2007, p. 146) and minor transgressions often work to maintain or even strengthen exploitative structures.

FLs also provide the ‘vector’ aspect of social change by structuring subjects’ experiences of *jouissance* according to the extent to which they elicit existing modes of *jouissance* when frustrated. A fantasy with strong ‘call’ or resonance elicits a stronger experience of *jouissance*, and thus a stronger desire for the promised (though illusory) ‘fullness-to-come’ it holds. This “dialectic of lack and *jouissance*” (Müller 2013, 284) gives political practices “*direction and energy*” (p. 147, original

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<sup>78</sup> Recall that in PDT terms, a ‘fantasy’ is any particular closure of meaning, not something unreal or imagined, as in its colloquial use.



emphasis) such that PLs consistent with fantasies possessing stronger ‘calls’ gain an advantage in becoming sedimented and hegemonic.

This also helps explain why political practices do not necessarily bring radical contingency into awareness. Since political practices seek to either institute a new social practice or defend an existing one, they also seek to naturalise that practice, again putting radical contingency in the background, foregrounding the promised fullness of fantasy (p. 147).

Taken together then, SLs, PLs, and FLs offer a way to holistically “construct an account that is descriptive, explanatory, and critical” (p. 152) of a problematised phenomenon. For my study then, LCE offers a way to account for the ‘what’, ‘how’, and ‘why’ of CBA’s subjectivity-objectivity paradox, as well as providing “a means to recover options that were excluded or foreclosed” (p. 154), opening a space for considering how could CBA be otherwise.

### 4.5 Summary and Conclusion

In this chapter I have laid out LCE as the theoretical framework for my study and explained why I have made that choice. I began by giving an overview of PDT, LCE’s foundation, showing that, through its ontology of radical contingency, PDT offers a way of understanding meaning as discursively constructed through the struggles between competing groups to have their narratives be accepted and acted on as ‘true’. PDT offers a useful vocabulary, including element, moment, discourse, articulation, and nodal point, to conceptualise the processes involved in instituting, maintaining, and de-instituting narratives as hegemonic, or ‘just common-sense’.

Then I outlined how PDT also links post-structuralist linguistics with psychoanalysis to offer an account of how identities form, are sustained, and changed through discursive meanings and the dialectic operation of lack, desire, and *jouissance* (embodied emotion or affect).

Following from this, I laid out how LCE draws on these aspects of PDT to present an account of the interactions between practices and regimes of social relation and how these may be interrogated through studying responses to events (known as dislocations) that disrupt taken-for-granted assumptions and reactivating radical contingency. LCE offers a way to categorise these responses on two axes, ethical-ideological and political-social, based on their attentiveness to radical contingency and degree of public contestation, respectively.

Finally, I showed how LCE proposes three inter-linked and mutually constitutive logics to articulate a critical explanation of the ‘what’, ‘how’, and ‘why’ of regimes and practices in order to describe, explain, and critique both responses to dislocations and the regimes and practices to

## Chapter 4 – Logics of Critical Explanation

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which those responses relate. The three logics are: social logics, which characterise the practice or regime (the ‘what’); political logics, which relate to the drawing (and re-drawing) of the boundaries of social logics (the ‘how’); and fantasmatic logics, which account for the ‘force’ of the other two types of logics by linking them with the affective experience of *jouissance* (the ‘why’).

I argued that the Herceptin debate formed a dislocation to the taken-for-granted use of CBA in public policy decision-making and so, having laid out this theoretical background, in the next chapter I present how I employed its framework to address my research questions in Chapter 3.

## 5. Living the Questions: making contingent interventions in the undecidable terrain of post-structuralist research

*I beg you, to have patience with everything unresolved in your heart and to try to love the questions themselves as if they were locked rooms or books written in a very foreign language. Don't search for the answers, which could not be given to you now, because you would not be able to live them. And the point is to live everything. Live the questions now. Perhaps then, someday far in the future, you will gradually, without even noticing it, live your way into the answer.*

~ Rainer Maria Rilke (1903)

### 5.1 Introduction

This chapter describes the research strategies I employed in ‘living the questions’ of understanding the ‘grip’ of CBA in the Herceptin debate. I use the term ‘research strategies’ rather than ‘methodology’ to acknowledge the purposive choices I made in selecting these approaches, following Glynos and Howarth, who regard ‘methodology’ as “connot[ing] ideas like neutrality and theory independence” inappropriate to post-structuralist research (2007, 201). LCE is not prescriptive on which strategies to use, for as Søndergaard says,

*“[P]oststructuralist-inspired empirical analysis is not something that can be acquired as a sort of technique. It cannot be repeated too often that there are no recipes for creative analyses in this genre” (2002, 187).*

Whilst providing no ‘recipes’, Glynos and Howarth are clear that LCE is not an approach where ‘anything goes’ and that a researcher should select her strategies to form part of her practice of articulation in a “non-subsumptive<sup>79</sup> and non-eclectic fashion” (2007, 208) to ensure they are appropriate to the particularities of her case and the problematised phenomenon she is trying to understand. This chapter, therefore, lays out both the strategies I chose for my study and my reasons for choosing them.

The remainder of this chapter takes the following form: the next section discusses the dialectic of LCE’s three objectives, or the ‘retroductive circle’, then the third considers the importance of reflexivity in my study. The fourth section briefly touches on the role of case studies in LCE research. The fifth section covers how I constructed my research archive and the sixth lays out Glynos and Howarth’s ‘method of articulation (2007). The seventh and final section concludes the chapter with a summary of the other sections.

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<sup>79</sup> Subsumption for Glynos and Howarth “denotes an understanding of the relationship between concepts and objects as external to each other, in which objects are gathered under concepts without the object or the concept undergoing any modification during the process” (2007, 16), which they regard as central to the problems they identify with both deductive and inductive reasoning in the social sciences.

### 5.2 Forming a Retroductive Circle: three objectives of LCE studies

The objectives of PDT research, including studies using LCE, are “the *problematization* of empirical phenomena; the *retroductive explanation* of these phenomena; and the *persuasion* of – and *intervention* into – the relevant community and practices of scholars and lay-actors” (Glynos et al. 2009, 10, emphasis original). Together these objectives form a ‘**retroductive circle**’, where “the problem, the theory and its ontological presuppositions, as well as the positing and accepting of proto-explanations, all find themselves articulated in an ongoing dialectic” (Glynos and Howarth 2007, 40). Taking each objective in turn, I discuss below how these are understood in LCE, how they connect with each other, and where I address them in this thesis.

The first objective of an LCE study, **problematism**, “shares a family resemblance” with Foucauldian problematisation that integrates archaeology and genealogy, acknowledging that any object of study is constructed: “a range of disparate empirical phenomena have to be constituted *as a problem*” (Glynos and Howarth 2007, 167, original emphasis). That is, ‘problems’ are not simply found by a researcher, but actively constructed as a ‘puzzle’ that requires explanation, a process in which she

*contradict[s] the obvious, to think against the stream of what is taken for granted. The idea is to make the processes of constitution explicit, processes [thereby making] an attempt [...] to destabilize what is taken for granted and expose it for reflection (Søndergaard 2002, 191)*

In my study, I have constructed my problematisation of CBA’s ‘subjectivity-objectivity paradox’ through the genealogical history in Chapter 2 and the literature review in Chapter 3, with an archaeological characterisation in Chapter 6. For more on what this involved, see Sections 5.6.1 to 5.6.3.

The second objective, **retroductive explanation**, relates to the kind of explanation generated by LCE analyses and forms the major purpose of this thesis. Glynos and Howarth are sceptical of both deductive and inductive reasoning in the social sciences, arguing that what they term the “causal law paradigm” results more from the “hegemonic grip” of the natural sciences in framing understandings of reality than from its suitability to addressing social science questions. Judging that the search for causal laws (wrongly) places greater importance on prediction over “contextual and ontological factors” (2007, 18-19), they argue instead for **retroduction**, or “the positing of a hypothesis or proto-explanation, which insofar as it renders a problematised phenomenon intelligible, can then be said to account for it” (Griggs and Howarth 2013, 45). Importantly, retroduction produces ‘proto-explanations’ because the openness of social systems and an

ontology of radical contingency mean that no explanation can ever be completely finalised or totalising. Thus, LCE “seek[s] to render a problematised phenomenon *more* intelligible” (Griggs and Howarth 2013, 46, emphasis added) rather than produce a definitive ‘final’ answer. As such, a researcher using LCE is engaged in a “necessary to-and-fro movement” between the elements in the retroductive circle (Glynos and Howarth 2007, 40). In this thesis, my ‘proto-explanation’ is presented in Chapter 7. For more on what this involved, see Section 5.6.4.

**Persuasion** and **intervention**, described more fully in Sections 5.6.6 and 5.6.7, relate to “the practice of persuading a wider community of scholars and practitioners that they *should* accept our explanations” (Glynos and Howarth 2007, 40, emphasis original) and acting upon them. These practices form part of the ‘to-and-fro movement’ noted above, for as the researcher seeks to convince others of the plausibility of her proto-explanation or to put its insights into effect, this “often furnish[es] new insights and phenomena that lead to [...] revision[s]” in both the problematisation and the offered proto-explanation (Glynos and Howarth 2007, 40). The entirety of this thesis, then, is in large part an effort to persuade its examiners (representing the relevant scholarly community) of the plausibility of the explanation that I (tentatively) offer in Chapter 7 for CBA’s subjectivity-objectivity paradox. I also present possibilities for other opportunities for persuasion and intervention in Chapter 9 when suggesting future research (Section 9.8).

Figure 8 below summarises the relationship between the three objectives in the retroductive circle:

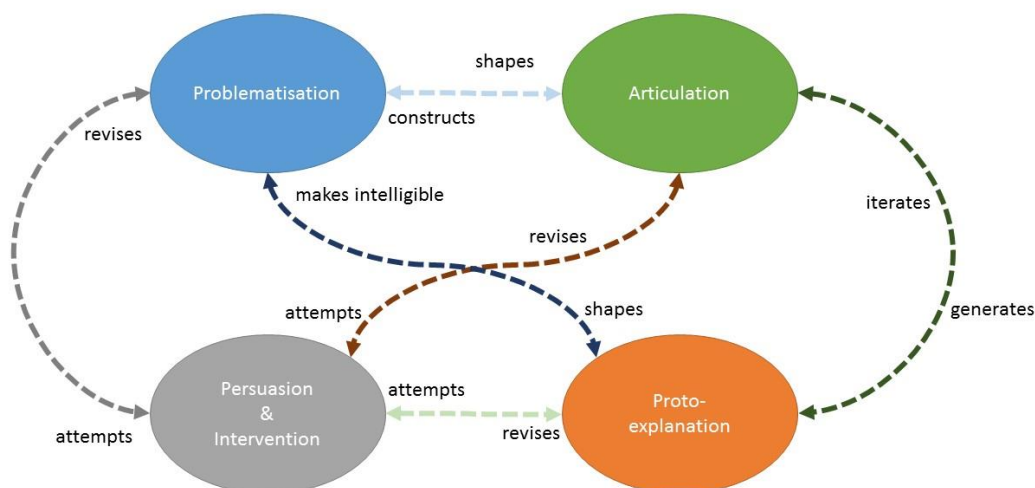


Figure 8: Retroductive circle

A further important element in my study is the incorporation of dialogic accounting (DA) principles. Discussed further in Section 5.6.5, these principles form not only the ‘benchmark’ for

a normative critique of the proto-explanation of CBA’s continued ‘grip’ (see Chapter 8), but also my normative stance for my entire study. As such, they form the background to the entire retroductive circle, guiding and interacting with its other elements. This is illustrated in visual form in Figure 9 below, which leads me to consider the role of reflexivity, which I discuss below.

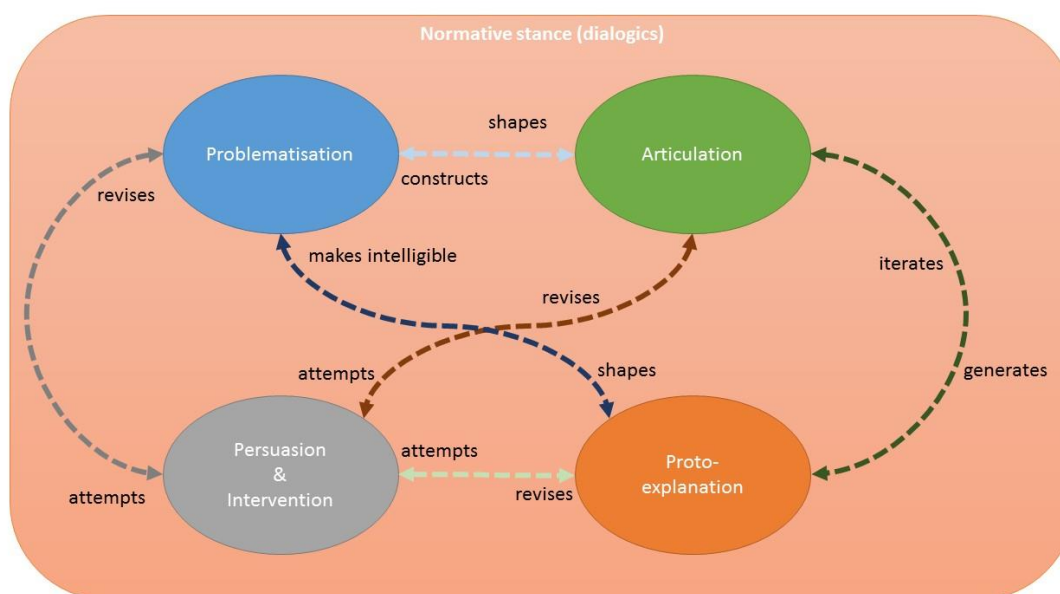


Figure 9 Dialogics forming the background to the retroductive circle

### 5.3 Reflexivity

*The view from nowhere is no more possible in the social universe than it is in the universe of cosmology. Any view on the social world orders and organizes itself from a specific position in that universe (Charlesworth 2000, 66)*

In this section, I reflect on my own subjectivity and discuss the reflexive strategies I employed to engage with my pre-existing (and developing) perspectives. Glynos and Howarth note the importance of a “self-reflexive and self-critical ethos” in conducting LCE research (2007, 155), pointing to the central role of critique in their ‘method of articulation’ (see Section 5.6.5) and emphasising that researchers should be mindful of radical contingency in the *process* of their LCE analyses as well as in its content. Yet, as Gillian Rose correctly notes, a fully ‘transparent’ reflexivity is impossible, since this “depends on certain notions of agency (as conscious) and power (as context), and assumes that both are knowable” (1997, 311). Instead, she argues for a notion of reflexivity guided by Judith Butler’s work on performativity, wherein

*there is no clear landscape of social positions to be charted by an all-seeing analyst; neither is there a conscious agent [...] simply waiting to be reflected in a research project [...] This understanding insists that we are made through our research as much as we make our own knowledge, and that this process is complex, uncertain and incomplete (Rose 1997, 316)*

Thus I cannot (fully) describe my ‘position’ or subjectivity in my study of the Herceptin debate, because this remains in a state of becoming, constructed and produced through the acts of performing<sup>80</sup> my study, generating my proto-explanation, and my attempts to persuade and intervene in it. In this incompleteness, Rose’s position articulates well with that of LCE, in which a subject’s identity project remains always unfinished, constructed through discourse, and so impossible to fully incorporate into – or detach from – either her analyses or her accounts of them.

In addition, readers (broadly understood) bring something to their own readings of what I present here: “what audiences may do with a piece of research is unknowable” (Rose 1997, 317) and, as with LCE, a plurality of possible meanings results. To address this, Rose argues for the research field to be understood as a

*much more fragmented space, webbed across gaps in understandings, saturated with power, but also, paradoxically, with uncertainty: a fragile and fluid net of connections and gulfs. Seen from this perspective, the research process is dangerous. It demands vigilance, a careful consideration of the research process: another kind of reflexivity, in fact, but one which can acknowledge that it may not be adequate since the risks of research are impossible to know (1997, 317)*

This ‘fragmented space’ requires a researcher to pay, and draw, attention to those ‘gaps’, highlighting contingency, contradiction, and incompleteness, a call that resonates with Glynos and Howarth’s insistence that, not only are proto-explanations generated by LCE analyses contingent, so too “logics are *themselves* contingent and finite constructs that are contestable and revisable” Glynos and Howarth (2007, 154, original emphasis).

How then to incorporate such reflexivity, when at times, my study felt like a never-ending series of dislocations, requiring me to question my identity(ies) and to take up new subject positions, constantly asking myself, ‘how am I to go on?’ I knew I had to go beyond making a ‘laundry list’ identity statement – ‘I am a woman, mid-forties, white, immigrant to NZ’ and so forth – because how could I express all the changing, contradictory, and confusing aspects of my subjectivity (even assuming I could be conscious of them all)? I decided to focus on process, living the questions and working to hold open uncertainty as much as possible. I used several related strategies to help me in this.

One strategy was to stay mindful of the principles of dialogic accounting outlined by Brown (2009), particularly ‘recognising multiple ideological orientations’, ‘be attentive to power relations’, and ‘resist new forms of monologism’. This, coupled with LCE’s ontology of radical contingency, helped me remain alert to possibilities where I might be taking my own views for granted or

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<sup>80</sup> Including the writing of this thesis.

imposing them on the ‘voices’ in my study, even as I knew I would not – could not – completely succeed in this. Another was to iterate the ‘to-and-fro’ movement of articulation and persuasion of the retroductive circle described above, moving back and forth between analysis, data, and theory, trying to ‘hear’ what each had to say to each other and revising my understandings as I learnt more. A third strategy was to design my procedures to include multiple voices within my analysis as much as possible. For example, ensuring multiple sources and discursive strategies were represented in my prioritised sample for detailed coding (see Section 5.5.3). I do not claim, however, that all voices or arguments in the debate are presented here, or that I have given them all equal weight, for, in positioning my study as critical, I am interested in achieving social change: “the ultimate point is not to think differently but to live differently” (Braun 2016, 111) and that entails challenging existing dominations and inequalities. Also, to not present my own perspective(s) on the debate would be to deny my own voice, as

*it can be argued that the researcher ought to privilege her own reading since she produces another – and valuable – form of knowledge through the use of particular theories and methods.” (Jørgensen and Phillips 2002, 118)*

Finally, I explicitly recognise here that what I offer in this thesis is itself an articulation (see Section 5.6.4) of the elements of the Herceptin debate and the analysis and proto-explanations I offer are partial, subjective, and contingent, as

*[r]epresenting the world, in one way or another, is unavoidable in any production of meaning. And such a representation of the world is always put forward at the expense of other representations that could have been made, and in competition with other representations that have already been made (Jørgensen and Phillips 2002, 203)*

That is, I too am engaged in hegemonic struggle, attempting to persuade others that *my* interpretation of the logics in the debate is, if not ‘real’, then at least ‘reasonable’ and as such is offered as a dialogic move, open to competing interpretations and contestation.

In short, I have sought to follow Rose in “tr[ying] to produce a gap” (1997, 318) in my study that allows for others to enter into dialogue with it. Also following Rose,

*I’m not sure I succeeded, and I don’t think I can or should be sure (ibid).*

### 5.4 ‘An Important Vehicle’: LCE on case study research

Glynos and Howarth argue that case studies “provide an important vehicle for critically explaining problematized phenomena by providing the contextually specific knowledge within which to link our more general logics together in this particular instance” (Glynos and Howarth 2007, 204) and



I have chosen to employ a case study approach to make the most of this linkage of the ‘contextually specific’ with the ‘more general’.

Glynos and Howarth are critical of the hegemonic ‘causal law paradigm’ in the social sciences, taking the position that “context and detail are indispensable” (Glynos and Howarth 2007, 202) and they devote several pages of their book to addressing the role of cases and how they may provide the necessary ‘context and detail’ for LCE analyses. Bearing in mind that “the selection of particular case studies [...] always presuppose[s] a purpose” (Glynos and Howarth 2007, 204), the case selected must be appropriate to that purpose. The purposes to which cases may be put are varied and Glynos and Howarth draw on Bent Flyvberg’s *Making Social Science Matter* (2001) to offer a four-part heuristic typology: extreme or deviant, critical, maximum variation, and paradigmatic. **Extreme or deviant cases** are those which “highlight particular phenomena in dramatic fashion”; **critical cases** are those which are essential to “lend or weaken support” for explanations<sup>81</sup>, whether these are proto-explanations generated through retroduction or the “accepted” current explanation; **maximum variation cases** (“or ‘anomalous’ or ‘peripheral’ cases”) which are as unlike as possible, to examine whether those differences affect the explanations; and **paradigmatic cases** which “function as exemplars or metaphors for a whole class of cases” (Glynos and Howarth 2007, 203). I regard my study of CBA in the Herceptin debate to be an extreme case, as I selected it for its participants’ striking use of cost and cost-benefit in their narratives. For more on this, see Chapters 1, 2, 6, 7, and 8.

### 5.5 First Contingent Intervention: constructing a research archive

This section details how I constructed my research archive to investigate the research questions presented in Chapter 3, a process usually termed ‘data collection’. To ‘collect’ implies, however, that such ‘data’ exists independent of and unaffected by the research process, something denied by discursive research approaches, which regard the researcher as “utterly central in producing materials as ‘data’” (Rapley 2007, 9). In using the term ‘research archive’ – defined by Rapley (2007, 22) as “a diverse collection of materials that enable you to engage with and think about specific the research problem or questions” – I hope to minimise this inference. I begin by justifying my choice of documentary analysis before detailing the steps I took in constructing the data within my archive. Then I discuss how I selected material for detailed coding, how I performed that coding, and how I used it in my analysis.

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<sup>81</sup> In this way, critical cases are similar to tests of prediction in positivist methodologies.

### 5.5.1 ‘Sedimentations of social practice’: why documentary analysis?

I elected to use documentary analysis for two reasons. One is that, as “sedimentations of social practices”, documents “constitute particular readings of social events” (May 1997, 158). Documentary analysis works, therefore, to retrieve those readings and so illuminate the regimes, social and political practices, logics, counter-logics, and fantasies at work in the events they record. As the events I investigated are now historical, albeit recent history, I wanted to capture the debate ‘as was’ through contemporary accounts, rather than ‘as remembered’ in, for example, interviews<sup>82</sup>. This choice does create limitations (see Chapter 9, Section 9.7), including the loss of the potential richness of interview data and the interactivity face-to-face interviewing offers. However this is partially offset by my second reason for selecting documentary analysis amongst my methods, namely the uncommon richness of data in the public record on the Herceptin case.

The mass media was a key site of contestation during the debate, generating a large and accessible repository of information. In addition, an unusual amount of material normally kept confidential (such as Pharmac’s detailed CUA on Herceptin) was released into the public domain. By basing my study solely on publicly available data, I hope to maximise opportunities for dialogic engagement on the proto-explanation I generate of CBA’s ‘grip’.

Accordingly, I constructed my archive from four types of publically-available material – textual media reports, audio/audio-visual media reports, documents produced by Pharmac, and documents produced by pro-funding advocacy groups. These latter two consisted mainly of textual material, but also some visual material, which I included in my analysis. I describe in more detail below how I constructed my archive of each type of data.

### 5.5.2 Constructing a research archive

#### Textual Media Reports

As the mass media was a significant site for the Herceptin debate, I began constructing my archive by searching for media reports on the debate in two key databases, NewztextPlus and ProQuest. I searched the NewztextPlus database for keywords “Herceptin” AND “cost” on all sources other than ‘International’. I made this exclusion because I was interested solely in the New Zealand debate. This search generated 768 results. I searched the ProQuest database for keywords

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<sup>82</sup> I thank the examiners for bringing to my attention that the distinction between ‘as was’ and ‘as remembered’ is neither as clear-cut nor as distinct as this implies.

“Herceptin” AND “cost” AND “New Zealand” on all fields except full text. This search generated 85 results.

I discarded any duplicates, then read all the remaining documents to confirm whether they were concerned with the Herceptin debate and whether cost or cost-benefit was used as an argument within them – the two criteria for inclusion in my sample. After this initial reading, 388 media reports remained in my archive.

### **Audio and Audio-Visual Media Reports**

I continued my archive construction by searching the VUW Library Catalogue (using the Advanced Search option) for “Herceptin” AND “screenrights”<sup>83</sup>, limiting the results to the years 2006-2008, i.e. the period of the debate. This resulted in two DVD recordings of TV current affairs programmes, one from Agenda (TVNZ) in 2008 and another from 60 Minutes (TV3) in 2006. I borrowed both DVDs from the Library, watched the relevant parts of each, and took notes from them.

I also searched Radio New Zealand’s web-archive for audio stories<sup>84</sup> on Herceptin, manually excluding those not meeting my inclusion criteria and downloading mp3 copies for listening off-line. This resulted in a further 18 items.

### **Pharmac and Advocacy Group Items**

I searched Pharmac’s website<sup>85</sup> using the search terms ‘Herceptin’ AND ‘cost’ and manually excluded those not meeting my inclusion criteria. From this I sourced 27 Pharmac items.

I repeated the same procedure on BCAC’s website<sup>86</sup> to obtain an archive of debate-related items from advocates. I also sourced a small number from links or mentions in other archive items. In all, I added 18 items from advocates.

### **Archive summary**

My research archive thus consisted of a total of 453 items, made up of 408 media items, 27 Pharmac items, and 18 advocate items. Although heavily weighted towards media items, from my initial reading I was comfortable that advocates’ and opponents’ views were well represented.

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<sup>83</sup> This keyword was used on the advice of the VUW Subject Librarian for Media Studies – ‘screenrights’ is the term used in the VUW catalogue to identify material recorded from TV (personal communication, 15 March 2013).

<sup>84</sup> Text-based stories from this source were included in the NewztextPlus database.

<sup>85</sup> Found at [www.pharmac.govt.nz](http://www.pharmac.govt.nz).

<sup>86</sup> Found at [www.breastcancer.org.nz](http://www.breastcancer.org.nz).

### Initial close reading, narrowing of scope, and prioritisation

Having gathered my archive, I performed a close reading or listening of each item, sensitised by the literatures outlined in Chapter 3, to identify how and where CBA was used in the debate and to immerse myself in its discourses. Following this, I took a (reluctant) decision to narrow the scope of my study to arguments of cost and/or cost-benefit related to ‘technical’ CBA; that is, I focused on the formal calculation of Pharmac’s CUA. This was to make my project manageable with the time and resources available, but has consequences for the proto-explanation I develop in Chapter 7 and adds to my study’s limitations, as I discuss in Chapter 9.

### 5.5.3 Material sampling for detailed coding

With my new, narrower scope in mind, I performed a second close reading, viewing, or listening to my entire archive, classifying each item into one of five categories to prioritise them for coding, the next stage of my analysis. My aim in this was not to produce a ‘representative’ sample, but one that identified the “material that promise[d] the greatest insights” (Flick 2006, 126) to my research questions. In pursuit of this, I considered each item over three dimensions: time, source, and discursive strategies employed, with the latter the most important:

*“The basic principle of theoretical sampling is to select cases or case groups according to concrete criteria concerning their content instead of using abstract methodological criteria. Sampling proceeds according to the relevance of cases instead of their representativeness” (Flick 2006, 128)*

Whilst I considered it important to include a broad range of participants and sites of discussion (i.e. sources) in my detailed coding, these ‘abstract methodological criteria’ took second place to the ‘relevance’ criterion of the discursive positions and strategies employed by participants within each item when selecting material for detailed coding. That is, I aimed principally to create a sample of items which covered as many relevant discursive positions and strategies as possible and secondarily to include the full timespan of the debate and a wide range of sources.

As relevance could only be decided on an item-by-item basis and not by applying *a priori* abstract criteria, what follows is based on my (subjective) assessment of each item’s relevance to my study and, as Flick correctly notes “[i]n a different strategy of sampling, the understanding [generated] would be different” (2006, 133). I note this as both a limitation and a feature of my study.

To determine my initial sample for detailed coding, I drew on my prior readings of the items in my archive and the literature review and research questions outlined in Chapter 3, to assess the relevance of each item. I employed a strategy of “purposive and systematic selection” (Flick 2006, 129) to assign a relevance ‘score’ on a scale of Z-4 to each item in my item log, where ‘Z’ indicated

the item was out of scope, and a higher numerical ‘score’ indicated the item was less relevant to my study, as follows:

Relevance	Definition
Z	Out of scope <sup>87</sup> <i>Will not be coded</i>
1	Extremely relevant. <i>Essential to code in detail</i>
2	Very relevant. <i>Potentially coded in detail</i>
3	Relevant. <i>Parts may be coded in detail, if required</i>
4	Somewhat relevant. <i>Unlikely to be coded in detail</i>

I then reviewed the items within the categories 1 (extremely relevant) and 2 (very relevant) to ensure they covered a reasonable span of time and sources, re-categorising where necessary to achieve this. This resulted in the following number of items in each grouping:

Relevance	Definition	No of items in category
1	Extremely relevant. <i>Essential to code in detail</i>	45
2	Very relevant. <i>Potentially coded in detail</i>	41
3	Relevant. <i>Parts may be coded in detail, if required</i>	29
4	Somewhat relevant. <i>Unlikely to be coded in detail</i>	66
Z	Out of scope <i>Will not be coded in detail</i>	272

#### 5.5.4 Coding

Having assembled my research archive and prioritised its contents for coding, I coded a test sample of items in Excel, using a ‘bottom-up’ approach, manually ‘free-coding’ blocks of text<sup>88</sup>. This quickly proved unwieldy and I switched to using NVivo for its greater data management capabilities<sup>89</sup> and adopted a mixed approach to coding, where I separated coding ‘top-down’

<sup>87</sup> i.e. was not concerned with ‘technical’ CBA.

<sup>88</sup> All items in my initial sample were textual media documents.

<sup>89</sup> There remains a perception in some quarters that tools such as NVivo are inappropriate for use in research, such as my study, where interpreting the contextual meaning of data is important, because they contain features that can be used to automate coding

categories for how I expected CBA might be represented in the debate based on my literature review of CBA in Chapter 3, and ‘bottom-up’ coding for the logics at play. That is, before coding any items I created ‘nodes’ (NVivo terminology for coding categories) in NVivo based on the expected representations and three ‘parent nodes’ for each of the three LCE logics types (SL, PL, and FL).

As my interest was in the meaning of the items I studied, I chose to work with relatively large ‘chunks’ of text. That is, whilst lexical (word) choice is sometimes important, such as referring to people with HER2+ breast cancer as ‘patients’, ‘sufferers’, or ‘women’ for example, my analysis was concerned with arguments made about or using CBA, not a word-by-word analysis. Thus I focused on the ‘work’ words and discourses do, rather than their content (Rapley 2007). This meant “reading *with* and *against* the grain of the text” – looking for what was said and unsaid in context – and considering “how the different elements work together” (Rapley 2007, 113, emphasis original) to produce meaning.

As I coded, I linked the text<sup>90</sup> to the nodes I deemed appropriate, creating new ‘child nodes’ ‘bottom-up’ as needed for the logics I identified. Bearing in mind Jørgensen & Phillips’ caution that “[i]t is important that one goes about the process of interpretation in a way that enables the material to ‘resist.’” (2002, 153), as I coded I added several ‘Other’ child nodes, where the participants’ discourses did not fit comfortably with my pre-existing categories. I reviewed these ‘Other’ nodes periodically, checking if their contents suggested a completely new node was needed. Where there was, I created this and compared all previously-coded material against it, re-coding where appropriate. Refer to Appendix 5.1 for a full list of the nodes, with their coding counts.

I coded in detail all the items in category 1, after which I reviewed for ‘theoretical saturation’ – the point at which “nothing new emerges” from the data (Flick 2006, 127). I then proceeded to code category 2 items, reviewing for saturation after each coding. In total, I coded 64 items. A full list of the items coded appears in Appendix 5.2.

### **5.5.4.1 A note on identifying and coding logics**

Glynos and Howarth (2007) decline to specify procedures for identifying logics ‘in the wild’, arguing that to “set[...] out the necessary and sufficient conditions for ‘applying’ a concept to an object” would be to emulate the “spurious logic of scientific operationalisation” of the

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(based on keywords, word counts, and so forth). I did not use any of these features, instead manually creating the nodes, selecting the text, and coding that text to appropriate nodes individually. As such, I consider I have ‘hand-coded’ my data, using NVivo as a tool, much as I have written this thesis using MS Word as a tool.

<sup>90</sup> I transcribed the one audio item I coded. I coded neither of the audio-visual items in my archive.

subsumptive law paradigm their approach rejects (Griggs and Howarth 2013, 48). Instead, they argue for **reflective judgement** on the part of the researcher, which they define as

*an approach based on intuition, theoretical expertise, and the method of articulation<sup>91</sup>. This means that having immersed oneself in a given discursive field ... the researcher draws on her ... theoretical expertise to make particular judgements as to whether something counts as an “x” and must then decide upon its overall import for the problem investigated (Glynos and Howarth 2007, 184, emphasis original)*

Finding this approach simultaneously liberating and frustrating, I struggled to find concrete ways to identify logics in my materials such that I could include them in my coding. Following much thought, deliberation, reading of methods textbooks, and re-reading of Glynos and Howarth (2007) and completed PhD studies using the LCE framework, I settled on the following heuristic questions to help me ‘diagnose’ the logics at play in my materials:

Type of Logic	Questions
Social	What assumptions being made about what is true? What is being taken for granted?
Political	What is being contested? Where/how are the boundaries being drawn?
- Logics of equivalence	Is the discursive field being simplified, especially into a binary opposition?
- Logics of difference	Is the discursive field being made more complex, especially fragmented into smaller parts?
Fantasmatic	Is a ‘fullness-to-come’ being promised? What are the beatific and/or horrific fantasies?

Table 2 Heuristic questions for ‘diagnosing’ logics

Using these questions as a guide, I formed judgements on whether to ‘count’ particular parts of my materials as involving logics, and also on how to record these in my coding. **Naming** performs important functions in LCE, and is intimately linked to articulation, for “the identity and unity of the object result from the very operation of naming” (Laclau 2005, 104). In other words, it is only through the act of naming that a disparate groups of elements is brought together (articulated) *as* a logic.

Some logics were easier to determine than others – for example, judging that, when advocates argued women with early HER2+ breast cancer should receive the same treatment as women with metastatic breast cancer, this formed a logic of equivalence. Indeed, the political logics were the easiest overall to identify for these are usually the most explicitly communicated. Others, particularly the social logics, were harder<sup>92</sup> and I adapted from Clarke (2005) the practice of writing

<sup>91</sup> Discussed in more detail in Section 5.6.

<sup>92</sup> With hindsight, this was to be expected, given that I was/am embedded in many of these same logics.

**coding memos**, which I used to capture my impressions about the material I was coding, as well as to work through how (or what) to code particular passages. Sometimes this helped me clarify how I wanted to code these, in which case I did so in NVivo, usually deleting these parts from my memo, but other times not, in which case I kept the memo and included these in my analysis as well as my coded data.

Having thus constructed my archive and completed my coding, I moved to analysing the coded data. I discuss next how I approached this.

### **5.6 Second Contingent Intervention: data analysis using LCE’s ‘method of articulation’**

*“The concept and principle of articulation is a nodal point for our entire ontological and theoretical framework, as the construction of all identity involves the linking together of contingent elements into historically particular and incomplete ‘totalities’” (Glynos and Howarth 2007, 208)*

In this section, I set out how I articulated the elements of my study taking LCE’s ‘method of articulation’ as “analytic inspiration” (Søndergaard 2002, 202). To re-iterate, this is not a ‘method’ in terms of a ‘recipe’ to follow, but a strategy aimed at generating a ‘middle’ ground of understanding of a particular problematised phenomenon, an understanding beyond both the generalisable laws of positivism and the contextualised specifics of interpretivism. This ‘method’ requires a researcher to articulate her data based on the relationship between LCE’s ontological and epistemological understandings and those of the participants, actors, and other particulars of the study.

Beginning with an act of problematisation, as discussed in Section 5.2, Figure 9 below illustrates how the various elements of the Herceptin debate may be combined into a singular critical explanation through a process of articulation. The problematised phenomenon in my study is the ‘grip’ of CBA, the theory LCE, and the empirical elements include the specifics of the Herceptin debate, my research archive, my coded data, and myself as a researcher.



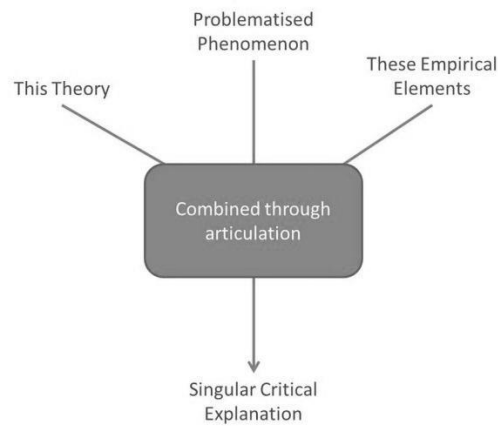


Figure 10: Elements combined in LCE's 'method of articulation'

The analysis these steps describe was not a linear process, but an iterative one as noted in Section 5.3, but for descriptive and analytical purposes only, I have arranged Glynos and Howarth's 'method' into the following seven<sup>93</sup> steps:

0. Problematization
1. Characterisation
2. Genealogy
3. Articulation
4. Critique
5. Evaluation
6. Intervention

I outline each of these steps below.

### 5.6.1 Step 0: problematisation<sup>94</sup>

In this step, the analyst delineates the “apparent puzzle” (Glynos and Howarth 2007, 170) to be investigated. To recognise their contingent and constructed nature, these are termed ‘problematizations’, not ‘problems’. In this study, my problematisation is the continued ‘grip’ of CBA in public policy-making despite its long-acknowledged difficulties. Since problematisation occurs within a particular context and is performed by a situated actor, problematisations shape

<sup>93</sup> This differs from the five steps elaborated by Howarth et al. (2016), who end at critique, which I have termed ‘step 4’.

<sup>94</sup> I have purposefully termed this ‘Step 0’, and not ‘Step 1’, to both recognise that it is more usually thought to occur before methodology is considered, and to emphasise that in LCE problematisation is an integral part of explaining the ‘apparent puzzle’, underlying and informing all aspects of the research.

their possible (and impossible) solution/s. For example, a problem defined in terms of cost-benefit can only be ‘solved’ in those terms and not in terms of, say, power relations. For this reason, the influence of the analyst and her assumptions of ‘what is’ in determining what is a ‘problem’ to be explained cannot be detached from the resulting analysis. Thus the reflexive strategies I discussed in Section 5.3 are important here.

### 5.6.2 Step 1: characterisation of practices

This step generates a description of the problematisation and is similar to Foucauldian archaeology. It produces a description of the social and political practices and regimes at work in the object of study, requiring reference to and/or passage through the self-interpretations of subjects involved in the debate. It is not, however, limited to describing events as participants saw them, as this does not exhaust the full range of discourses (meanings) in the debate (Glynos and Howarth 2007, 171-172). The characterisation I generated from this step is presented in Chapter 6.

### 5.6.3 Step 2: genealogy of practices

This step asks how and why the practices characterised in Step 1 “came about and continue to be sustained” (Glynos and Howarth 2007, 172) (p. 172). Drawing on Foucault’s genealogy, this step involves both micro- and macro-level analyses, requiring a deep understanding of both the wider context of CBA’s use in public health decision-making and of the site-specific details within which Herceptin was debated. The results of this step should include “the necessary historicity and explicit conception of power to account for the emergence” (Howarth 2003, 437) of the characterisation from Step 1. This step is key to generating alternatives, or counter-logics, as “[t]he genealogist encourages us to think beyond our world, to imagine new possibilities to search for new freedom and new identities” (Bevir 1999, 356). This output from this step is the subject of Chapter 2, which offers a genealogical history and chronology of the Herceptin debate.

### 5.6.4 Step 3: articulation

As discussed in Section 5.2, this step forms a part of the ‘retroductive circle’ and involves a bringing together of the understandings generated in Steps 1 and 2 and the explication of the logics involved. It involves a process of judgement, naming, and generalising that forms a “hinge that links contingent elements together to constitute partial and limited structures” (Glynos and Howarth 2007, 208). This hints at why LCE generates *singular* rather than general explanations:

*“because the practice of articulation is predicated on the idea that all elements and relations are ultimately contingent and partial, and that their meaning and function is relative to the singular explanatory chain within which they are linked” (ibid, 180-181).*

Care must be taken in this step to guard against both over-generalising and equating incommensurable elements, by remaining mindful of the ontological and epistemological underpinnings of each element. To achieve these, Glynos and Howarth recommend employing techniques of reactivation (“a return to the ‘original’ sorts of questions and problems [...] addressed”), deconstruction (“to lay bare ... ambiguities and exclusions”), commensuration (“mak[ing] them consistent with the presuppositions underpinning” LCE) and articulation (“bring[ing] them together into an explanatory narrative”) (Glynos and Howarth 2007, 181-183). I employed all these techniques as a guide in generating the proto-explanation of CBA’s ‘grip’ I present in Chapter 7.

### 5.6.5 Step 4: critique

*“[C]ritique denotes both a theoretical and a practical project, one that undertakes in one way or another to analyse, historicize and denaturalize hegemonic forms of thought and practice that stabilize existing relations of domination, injustice, subordination or exclusion” (Braun 2016, 111)*

Step 4 is a critique of the narrative developed in Step 3 from the archaeological and genealogical understandings generated in Steps 1 and 2 of the ‘puzzle’ problematised in Step 0. This has two parts, a *normative* critique, focused on the content of the logics identified, and an *ethical* critique, focused on subjects’ identifications with and relations to fantasy.

Performing a **normative critique** requires a normative position on what is ‘good’. As post-structuralism arguably denies the existence of any necessary normative position<sup>95</sup>, I explicitly ground my normative critique in the principles of dialogic accounting, which aims at more democratic and plural accountings (Brown 2009), a goal consistent with LCE’s own “commitment to the principles and values of radical and plural democracy” (Glynos and Howarth 2007, 193).

The principles of dialogic accounting (Brown 2009) are:

- recognise multiple ideological orientations;
- avoid monetary reductionism;

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<sup>95</sup> Glynos and Howarth reject this argument for LCE, pointing to its post-Marxist foundations and concern with hegemonic regimes and practices. They also suggest that the specific empirical context of an LCE analysis may provide a sufficient “normative vantage point” for critique (Glynos and Howarth 2007, 193). Whilst sympathetic to these arguments, I believe an explicit declaration of normative stance is clearer.

- be open about the subjective and contestable nature of calculations;
- enable accessibility for non-experts;
- ensure effective participatory processes;
- be attentive to power relations;
- recognise the transformative potential of dialogic accounting; and
- resist new forms of monologism

For this step, I compared the characterisations of CBA in Chapter 6, combined with the debate's genealogical history in Chapter 2, with each principle. I present the results in Chapter 8.

An **ethical critique**, on the other hand, requires no grounding outside LCE, being concerned with the authenticity (i.e. recognition of contingency) of subjects' identifications. This critique is concerned with the ethical-ideological dimension of responses to dislocation discussed above and I mapped participants' responses to the dislocation of the Herceptin debate against the *political-social* and *ethical-ideological* 'axes' of response described in Chapter 4, with the results also presented in Chapter 8.

### 5.6.6 Step 5: evaluation

Steps 5 and 6 together form the third objective in the 'retroductive circle' outlined in Section 5.2. In step 5, the researcher offers her proto-explanation, generated through her articulation of study elements, for the problematised phenomenon to her readers, "both the agents being studied and the relevant scholarly community" (Glynos and Howarth 2007, 38), who then evaluate it, for

*"it is the reader who, in some sense, has the last word in relation to the text – without the readers and their varied use of texts, texts could just as well remain unwritten. The individual researcher, then, cannot claim sovereign control over her knowledge"* (Jørgensen and Phillips 2002, 209)

Outputs from LCE research thus form a "positioned opening for discussion" (Jørgensen and Phillips 2002, 209), not the final word.

As I based my study on documentary analysis, it is impossible for 'the agents being studied' to take direct part in this evaluation. I do, however, offer some suggestions for future research in Chapter 9 that would take my proto-explanation in Chapter 7 and counter-logics in Chapter 8 into more participatory work involving participants in the Herceptin debate amongst others. I anticipate the

persuasion of the ‘relevant scholarly community’ to occur through academic peer review and dissertation processes.

### 5.6.7 Step 6: intervention

Step 6 aims to intervene in the area studied, to create change in both theory and practice. The suggested future research in Chapter 9 forms part of this intervention, as do the publications I hope to generate from my study. Overall, my ‘intervention’ objective is to work with participants and scholars in further developing ways to encourage CBA to be ‘held more lightly’.

## 5.7 Summary and Conclusion

In this chapter, I have presented my research strategies, justified my choices, and outlined how I approached ‘living the questions’ in my study of CBA’s ‘grip’. I began by discussing the three objectives of PDT/LCE research – problematisation, retroductive explanation, and persuasion and intervention – and how these form a retroductive circle where each influences the other with articulation as a dialectic ‘hinge’.

Then I outlined how I conceived of reflexivity in my study and presented some strategies I employed to incorporate this. These included maintaining a dialogic ethos throughout, drawing attention to gaps and conflicts, working to remain open to uncertainty, and designing procedures to include multiple ‘voices’.

I then showed why I elected to use a case study approach in studying CBA’s ‘grip’ and why I classified the Herceptin debate as an ‘extreme’ case. Respectively, these were for its ability to integrate context and detail with larger concerns, and for its participants’ striking narrative use of cost and cost-benefit.

I followed this by detailing how I constructed my research archive, why I chose to use documentary analysis as my key strategy, and how I approached coding my material. I constructed my research archive from database and web searches, selecting media, Pharmac, and advocate items of various kinds (text, text with images, audio, audio-visual) based on criteria of relevance using keywords “Herceptin” and “cost”, excluding any items outside of the debate period (2006-2008) or not using CBA as an argument. I further narrowed my archive to only those items in which ‘technical’ (i.e. calculative) CBA was used, resulting in a final archive of 181 items, of which I coded 64. I defended my choice of documentary analysis by arguing for its suitability for capturing the debate ‘as was’ and by the unusual richness of data deposit in this case. I gave detail on how I coded my material,

## Chapter 5 – Living the Questions

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noting that I used NVivo software for its data management capabilities but coding ‘by hand’. I coded ‘top-down’ for the characterisations, contestations, and defences of CBA, based on categories suggested by the literature reviewed in Chapter 3 and ‘bottom-up’ for the logics at play in the debate, which I ‘diagnosed’ based on a set of heuristic questions I developed for this purpose.

Finally, I laid out Glynos and Howarth’s (2007) ‘method of articulation’ in seven steps – problematisation, characterisation of practices, genealogy of practices, articulation, critique, evaluation, and intervention – explaining how together they combine theory with empirical elements and a problematised phenomenon to generate a singular critical explanation of that phenomenon such that it is made more understandable.

Having laid out how I approached my study and why I employed these strategies, in the next chapter I present the first part of its results, a characterisation of the practices and regimes in the Herceptin debate.

## 6. Articulating CBA into Meaning: constructions and contestations of CBA's character and role via nets of meaning in the Herceptin debate

This chapter is the first of three results chapters based on the theoretical framework outlined in Chapter 4 and the research strategies laid out in Chapter 5. It presents my analysis of the characterisations, contestations, and roles of CBA in the Herceptin debate, addressing both parts of RQ1 – How was CBA characterised by the participants in the public debate between 2006 and 2008 on funding Herceptin for early HER2-positive breast cancer in NZ? What role/s did it play in that debate? – and RQ3 – How was CBA contested and defended?.

By describing how debate participants characterised and contested CBA, I aim to show how their arguments used CBA to persuade within their discursive struggles over the funding of Herceptin. In LCE terms, then, what I present here is my own articulation of elements in participants' articulations or 'nets' of meaning around the nodal point of **CBA**. These 'nets' were complex, dynamic, and of course open to multiple interpretations, so what I offer here is necessarily a partial view, simplified and analytically delineated for my purpose of presenting them here. Advocates' and opponents' 'nets' shared many of the same elements, some of which were given similar meanings whilst others were given very different, even opposing, meanings.

The remainder of this chapter takes the following form: the next section looks briefly at the language used in the debate, whilst the second presents my analysis of some key articulations made by participants. This second section begins with a consideration of the various elements employed by the two 'discourse coalitions' (Hajer 1993) or 'sides' in the debate, advocates and opponents, followed by a set of articulations shared by participants that I suggest form the core of a 'hegemonic' characterisation of CBA, then it moves to the key contestations of CBA. In Section 3, I draw on the four roles of accounting information suggested by Burchell et al. (1980), to frame a discussion of the role(s) participants ascribe to CBA in their arguments for and against funding. The fourth and final section concludes with a summary of the other sections.

### 6.1 Frequency of Language

I began my analysis of my coded data by using Nvivo's 'word frequency' query functionality to create 'word clouds' based on the 200 most common<sup>96</sup> words in item source (advocate, opponent,

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<sup>96</sup> Excluding so-called 'stop words' which are "less significant words like conjunctions or prepositions that may not be meaningful to ... analysis" (Nvivo Help n.d.). Nvivo's stop words list is pre-populated with a default list but is fully customisable – I added some non-meaningful but frequently-occurring case-specific words such as the names of Pharmac's CEO and BCAC's spokesperson.

and media) in my coded sample. I ran these queries at the ‘stemmed’<sup>97</sup> level of grouping, which gathers the counts of, for example, “talk”, “talks”, “talking” and “talked”. A word cloud displays visually the most common words in a data sample with word size denoting frequency. It can provide a starting point for potentially interesting analyses. In the following sub-sections, I show the results of these queries, beginning with the items generated by advocates.

### 6.1.1 Language used in advocates’ items

Figure 11 below shows the word cloud output from NVivo from advocates’ items in my coded sample:



Figure 11: Advocates’ word frequency cloud

This cloud shows both ‘cost’ and ‘benefits’ as frequently occurring. ‘Cost’ was one search terms I used to create my archive (see Chapter 5), so its high frequency is expected, but the closeness in frequency (font size) with ‘benefits’ suggests how often these two are linked by advocates.

### 6.1.2 Language used in opponents’ items

Figure 12 below shows the word cloud output from NVivo from the opponents’ items in my coded sample:

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<sup>97</sup> This is the second most detailed level of NVivo’s five grouping options, which range from ‘exact match’ (most detailed) to ‘with generalizations’ (least detailed). A stricter analysis on exact matches yielded a similar result.





Figure 12: Opponents’ word frequency cloud

Here, ‘costs’ is shown in a larger font than ‘benefit’. Although this would seem to indicate the opponents’ discourses made relatively more mentions of cost than of benefit(s), this is potentially an artefact of my sampling, as this sub-sample is dominated in both number of documents and their length (i.e. word count) by Pharmac’s technical documents, including two versions of its CUA and their appendices<sup>98</sup>. In these documents, ‘benefits’ are referred to by several different names, including QALYs, survival, efficacy, which is a limitation of frequency-based textual analysis<sup>99</sup>. For comparison, Fig 13 below shows the results of the same query run at the most aggregated level available. Here, ‘cost’ remains more frequent than ‘benefit’, but the size difference is smaller.

<sup>98</sup> This is likely to be why trastuzumab (Herceptin’s chemical name) is shown much larger than its trade name, despite ‘Herceptin’ being a required search term in my archive construction.

<sup>99</sup> This is compounded by NVivo’s ‘similar words’ not being user-customisable, unlike stop words.



In this cloud, ‘costs’ appears in a much larger font than ‘benefit’, indicating its more frequent use. It should be noted, however, that ‘media’ items contain statements and quotes from both advocates and opponents as well as media commentary and opinion, so this cloud may indicate the language used in the debate overall, rather than that of the media as a separate grouping.

### 6.1.4 Comparison of language used by participants

Comparing the clouds of the different sources, the opponents’ items used the most technical language and the media items the least technical, with advocates’ in between<sup>100</sup>, but many words appear in all clouds, indicating that they were used across the debate by various participants. However, as word clouds highlight the frequency of terms and not their importance or context, they should be interpreted with caution, especially in projects, like mine, concerned with critical intent, silences, and discursive representation. For this reason, the next section considers how debate participants used the language identified above to characterise, contest, or defend CBA.

## 6.2 Articulations of CBA by Advocates and Opponents

In this section, I compare the key elements used by the discourse coalitions of advocates and opponents, before discussing how these were articulated together to formulate meanings.

### 6.2.1 Key elements in the Herceptin debate

Table 3 lists the elements I identified as key in advocates’ and opponents’ articulations of CBA:

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<sup>100</sup> Again, this is potentially an artefact of my sample selection: item A001 (BCAC’s submission to Pharmac’s June 2008 re-consultation on funding Herceptin) dominates this sub-sample in both page and word counts, and is notable for using more technical and less emotive language than advocates’ other public statements (including those reported in the media), as it is addressed to a funding authority rather than the general public. This raises interesting questions about the extent of the ‘grip’ of CBA on the individuals concerned – do they strategically ‘play along’ with what they regard as Pharmac’s view of CBA or with a hegemonic view to enrol support, or is there a genuine commitment to CBA as, for example, *objective* (see next sub-section)? Whilst interesting to speculate on why participants in the debate might, believing others find it convincing, find CBA strategically useful, even if they do not accept it as such themselves, in my opinion, this only moves the ‘convincing-ness’ or ‘grip’ of CBA from the participants to their audiences, but does not answer it. It is beyond the scope of my project to investigate these questions further, as it is on solely public representations of CBA. However I note this as a limitation and suggest future research in this area. If A001 is removed from the sub-sample, the advocates’ word cloud closely resembles the media items’ cloud.

Key in advocates' articulations	Key in opponents' articulations
Expected	Expected
Quantitative	Quantitative
Objective and neutral	Objective and neutral
About economics (and money)	About economics (and money)
Factual	Factual
Dependent on experts	Dependent on experts
'Externalities'	'Externalities'
Fairness	Fairness
Measurement (cost and benefit)	Measurement (cost and benefit)
Decision criterion	Decision criteria
Scientific evidence/proof	Scientific evidence/proof
Individuals	Collective/total/overall
'Doctor knows best'	Constrained resources

**Table 3: Key elements in participants' articulations**

Just as participants shared much of the same language, they also shared most of the elements I identified as key. Most appear in both lists. However, whilst present in the arguments of both 'sides', they were not necessarily used in the same way or articulated into the same (or even similar) meanings. I begin my discussion by presenting those which advocates and opponents gave the same or similar meanings, arguing that these shared articulations are a hegemonic characterisation of CBA.

### 6.2.2 Shared articulations around CBA: hegemonic characteristics of CBA

In this section, I present a set of elements which I argue have taken-for-granted, 'natural' meanings in the Herceptin debate, i.e. elements which both advocates and opponents of funding articulate into their 'nets' with the same or similar meaning. Consequently, I term this grouping the **hegemonic characterisation of CBA** purporting that CBA is <expected>; <quantitative>; <objective and neutral>; <about economics (and money)>; <factual>; and <dependent on experts>. This is not to claim that their

meaning was uncontested, only that the particular meanings that I set out below appeared to be regarded by participants as the ‘common-sense’ or ‘normal’ understanding of CBA.

### 6.2.2.1 *Expected*

The first hegemonic characteristic of CBA is **expected**: I coded 143 statements in my sample<sup>101</sup> to the <necessary to use CBA> node, 138 to the <normal to use CBA> node, and none to the <remarkable to use CBA> node. This suggests there was no serious challenge to the appropriateness of Pharmac using CBA for decision-making. All parties appeared to regard it as at least ‘normal’ to use CBA. I argue, therefore, that this provides evidence of its grip in this debate.

I coded 203 statements to the ‘process’<sup>102</sup> sub-node of <consistent\_BAU> (compared to 33 to <exception>), suggesting CBA was characterised by debate participants as a routine and unremarkable practice. Further, I coded no statements to <major change desired> (compared to 179 to <no change desired> and 52 to <some change desired>), suggesting that even participants who wanted changes to CBA or its role in pharmaceutical funding decisions appeared to expect that this could be accommodated within CBA’s existing framework, contrary to the more challenging critiques of CBA in the literature canvassed in Chapter 3. I discuss this further in Chapter 8, when proposing other counter-logics.

### 6.2.2.2 *Quantitative*

The second hegemonic characteristic of CBA was **quantitative** (i.e. measured in and/or concerned with numbers): I coded 184 statements to the node <quantitative> compared to 11 for <qualitative> and 4 for <mixed><sup>103</sup>. Advocates and opponents alike characterised CBA as based on and expressed in numbers.

My decision to focus on ‘technical’ CBA contributed to this finding – elsewhere in my archive, participants, particularly advocates, discussed several non-quantitative factors they consider as costs and benefits (e.g. the non-financial costs of family disruption), but as they also sometimes argued for including these within ‘technical’ CBA, these arguments are (at least partially) present in my sample. This implies that advocates considered that these ‘costs’ and ‘benefits’ could, at least

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<sup>101</sup> Given the multiple and close readings of the items in my archive and the purposive nature of my sample selection, I consider it reasonable to infer that this is likely to apply to the rest of my archive.

<sup>102</sup> I used this node to capture statements concerning the process and practice of how CBA was performed, with <consistent\_BAU> representing a routine, ‘by the book’ practice and <exception> representing something unusual or abnormal in how this CBA was performed. As such, the same statement could, for example, articulate together <normal to use CBA> and <exception>.

<sup>103</sup> The statements coded to *qualitative* and *mixed* are mostly concerned with including (or re-weighting) non-monetary ‘costs’ and ‘benefits’ within CBA.

potentially, be accurately measured and included, despite the adequacy of measurement being a major area of contestation, as discussed in Section 6.2.3.3.

### 6.2.2.3 *Objective and neutral*

The third hegemonic characteristic of CBA is **objective and neutral**: I coded 412 statements to the SL node <numbers as objective> and 298 to the FL node <objectivity>. Advocates and opponents alike characterised CBA as a neutral technique outside of politics and subjectivity.

CBA seems to have ‘borrowed’ this characteristic from its quantitative presentation: numbers are “widely” regarded as objective and neutral, “set[ting them] apart from political interests and disputes, above the world of intrigue, and beyond debate [...] offering the promise that the subjective element of decision-making could be curtailed, if not eliminated” (Miller 2001, 382, 389). Opponents tended to present this characterisation as a key benefit of CBA, whilst advocates seemed to share this characterisation and did not seriously challenge it, despite challenging other aspects of CBA’s calculation (see Section 6.2.3). I discuss this further in Chapter 8, when presenting potential counter-logics.

### 6.2.2.4 *Factual*

The fourth hegemonic characteristic of CBA is **factual**: I coded 271 statements to the node <high factuality>, 22 to <medium factuality>, and 1 to <low factuality>. As with <objective and neutral>, this characterisation was strongly linked with CBA’s characterisation as <quantitative>. That is, because numbers were characterised as factual, anything based on them must be too, hence participants’ characterisations that CBA was <factual>, albeit with some dispute of degree. Although advocates challenged Pharmac’s measurement of its CBA (see Section 6.2.3.4), by characterising CBA as <factual>, they presented this as a technical problem of getting the ‘correct’ inputs<sup>104</sup> so the ‘true’ value of Herceptin could emerge. This had consequences for the counter-logics advocates could develop using this element, as discussed in Chapter 8.

### 6.2.2.5 *About economics (and money)*

The fifth hegemonic characteristic of CBA is **about economics (and money)**: I coded 256 statements to the SL node <economic logic>, 131 to the FL node <cost as obstacle>, and 210 to the FL node <>true cost>.

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<sup>104</sup> This characterisation potentially underlies advocates’ ‘non-challenge’ to CBA’s characterisation as <objective and neutral>.

When coding, I was struck by how often economic concerns were raised by both advocates and opponents. Economic and accounting language are prominent – many participants talk in terms of ‘investment’ for example – and both discourse coalitions use ‘money talk’ in their arguments. For example:

*There are obvious benefits to society in treating someone at an early stage to prevent the return of cancer, not least the money saved by not having to treat them as they die from advanced disease. Economic analyses in other countries have shown that providing subsidised Herceptin is cost-effective (A008)*

*[Pharmac’s acting CEO] said New Zealand spent a total of \$40 million a year on pharmaceutical cancer treatments and Pharmac had to look at whether it was justified to spend \$25 million of that on Herceptin (M051)*

Related to this characterisation was the exclusion of ‘externalities’ from CBA. Participants disagreed on whether CBA *should* exclude these (see Section 6.2.3.4) but they generally agreed that it did. That is, CBA was characterised as an economic calculation which excludes non-monetary considerations such as emotional impacts on families and communities. This finding may be an artefact of archive construction, given my focus on ‘technical’ CBA – but I found it remarkable the extent to which advocates used economic language and imagery to argue that ‘these women are worth it’<sup>105</sup> to their communities, employers, and families:

*The economic benefits of curing women with early stage disease are considerable. ‘Her2 positive breast cancer often affects young women who have much to contribute to their families, the community and the economy,’ said Ms Burgess. (A009)*

### 6.2.2.6 *Dependent on expertise*

The sixth hegemonic characteristic of CBA is **dependent on expertise**: I coded 374 statements to the SL node of <expertise> and 111 statements to the LoE node of <expertise>.

CBA was characterised by participants as a specialised technical exercise, requiring the input of experts. This is at least partly an effect of my decision to narrow the scope of my study to ‘technical’ CBA, for there are many references to ‘non-technical’ CBA in the remainder of my archive, in which costs and benefits were opposed to each other less formally. However, it is also linked to participants’ articulations of CBA with <quantitative>, <objective and neutral>, and <about economics (and money)> – all were presented as causes and/or effects of the need to involve experts. For more on this, see Chapter 7.

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<sup>105</sup> ‘Our Women are Worth It’ was a BCAC campaign slogans (see image, for example, A008; also M086)

### 6.2.3 Contested elements in articulations

Having shown how debate participants articulated the same elements similarly, this section examines how different discourse coalitions conferred the same element with different meanings, indicating these as sites of struggle. Recalling that elements are unfixed in meaning until articulated into a discourse – there are no ‘essential’ meanings in PDT – contested elements are only analytically separable from the hegemonic characterisations and articulations outlined above: both advocates and opponents drew on these hegemonic understandings.

#### 6.2.3.1 *Is CBA determinative? Contestation of CBA as decisive in resource allocation*

I coded 14 statements to the LoD node of <decision criteria>, 44 to the node of <single [resource] allocation criterion> and 35 to <multiple [resource] allocation criteria>. The largest group coded for ‘basis of resource allocation’ was the <economic efficiency> node with 159 statements, although it should be noted that this included statements both for and against this as a criterion. The second largest was <other><sup>106</sup> with 90, then <individual need> (59), and <political salience> (28), with most of the last arguing against this as an appropriate criterion.

Succinctly capturing the essence of this contestation, one media commentator wrote:

*Pharmac says its decision is practical and affordable; critics says it's all about cost (M031)*

Advocates (‘critics’) tended to characterise CBA as the only or the most important factor in Pharmac’s decisions on funding Herceptin. Advocates also focused strongly on Herceptin’s high cost as decisive:

*“... the problem that Pharmac has is simply about the cost.” (M278, p. 1, last para)*

*Cancer Society chief executive Dalton Kelly said money had taken precedence over the lives of people with breast cancer (M017)*

CBA was presented by advocates as a compelling or dominant technology to either dictate a decision or to justify one already made (see discussion of CBA’s roles in the debate in Section 6.3). Here they articulated <single allocation criterion> with <scientific evidence\_proof> and <constrained resources> to argue that cost overwhelmed the evidence of benefits in Pharmac’s CUA:

*Dr Drummond [elected DHB member and former GP] says he's uncomfortable Pharmac has not separated those two decisions [efficacy of treatment and affordability], and has let the cost of the drug colour its review of the*

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<sup>106</sup> Statements coded to this node included preferred criteria for funding based on medical advice, following the lead of other OECD countries, and ‘evidence-based’.



*clinical evidence. ¶ "If they had come out and said, it's a bloody good drug, but we can't afford it, that would be one thing. But it's come out, we can't afford it and therefore it's not good enough." (M050)*

Opponents, conversely, tended to characterise CBA as important in decision-making but not determinative:

*The results of this analysis may be considered as part of the decision criteria ('criterion 5') when considering the funding application – where **cost-effectiveness is but one of PHARMAC's nine decision criteria** (P016, emphasis added)*

Opponents of funding characterised CBA as the best way to decide between competing projects, even as they argued it was only one of <multiple [resource] allocation criteria>, by articulating it with <efficiency>, <constrained resources>, and <objectivity>.

This somewhat contradictory characterisation – CBA is not decisive but it is the best – although unlikely to appear within the same item, indicates the contingent nature of meaning and they depend on relationships developed by/within articulations. For example, in emphasising <**multiple** [resource] allocation criteria>, opponents' articulations with <consistent\_BAU> and <cost-effectiveness> deflect advocates' challenges to CBA as <decisive>. By articulating <multiple [resource] allocation criteria>, with <economic efficiency> & <objectivity>, they distance CBA from 'political' choices, 'winners and losers', and so forth. Recalling that discourse coalitions form articulations as attempts to persuade, articulations need not be logically consistent or sincerely-held beliefs – they need only be persuasive or strategically useful, i.e., possess **heresthetic** value (Riker 1996, in Griggs and Howarth 2013, 9-10), this superficially contradictory characterisation seems less so when considered in light of Pharmac's commitment to CBA as a means to <economic efficiency>:

*Pharmac also wants to see cost-utility analysis applied across the health sector. This would help determine the optimal pharmaceuticals budget and could increase it (M072)*

### 6.2.3.2 Is CBA fair? Contestations of CBA's fairness

I coded 245 statements from 45 sources (i.e. items) to the FL node of <fairness>. This was one of the most commonly occurring themes. Advocates and opponents alike appealed to <fairness>, although they differed on to whom fairness was owed. Advocates focused on <fairness> to <individuals>, particularly those diagnosed with HER2+ breast cancer and those directly connected with them – their <families> especially, whereas opponents focused on <fairness> to others, particularly those who would miss out if Herceptin was funded, as well as 'aggregate' <fairness>, based on overall or total 'utility'.

### Advocates' articulations around *fairness*

I coded 82 statements to the SL node of <choice>, which I defined as 'statements assuming or based on autonomy, free will, and the expectation of having power to choose'. I discuss this SL, and its links with individualism and consumerism further in Chapter 7. Advocates used it to argue that their 'right' to choose what happened to them – something already challenged by a cancer diagnosis – had been further diminished by Pharmac's denial of funding for a treatment often presented as a cure.

Early in the debate, advocates argued that paying privately for Herceptin had diminished patients' other opportunities to choose, especially their consumer and lifestyle choices. For example:

*We have had to borrow the funds against our property, compromising our retirement plans, and experiencing a reduction in lifestyle to afford the drug (A003)*

This was characterised as unfair, because not only had patients *not* chosen to get this particular form of breast cancer with a worse than average prognosis and very expensive, unfunded treatment, they were losing the option of making other choices.

<Fairness> was also articulated by advocates with <family>, <choice>, and <cost as obstacle> in a narrative of people forced to make 'desperate choices' between their own health (or life) and other priorities. For example:

*"The shameful spectacle of women forced to beg on national television for the drugs they need to save their own lives or to make desperate choices between their best chance at life and their children's education" [BCAC chairperson Libby Burgess] (M006)*

*"Some [patients] are prepared to mortgage their house and so on. It's a terrible choice. It's a very very uncomfortable discussion that we have with them." [Vernon Harvey, oncologist & PTAC member] (M003)*

Advocates also articulated <proper conduct> with <choice> in their arguments of <fairness>. I coded 202 statements to the SL node of <proper conduct><sup>107</sup>. In this articulation, advocates offered 'evidence' of patients having made 'good' choices or being 'good' citizens in the past (e.g. working since leaving school, paying taxes, maintaining community and family connections, property ownership) so 'deserving' their <choice> of treatment:

*Hudson is stressed by the costs, sick from the chemo (the radiotherapy is yet to come) and bitter to have learned by personal experience that the New Zealand health system does not pay for everything. "I've been working hard since I left school. I didn't realise [the public health system] wouldn't be there when your life is at risk" (M003)*

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<sup>107</sup> Note: this node was not solely concerned with this articulation, as I defined it as 'statements concerned what is 'the right thing to do', socially correct or expected behaviour', and only a fraction of this total will relate to this particular linkage.

Other advocates' arguments about <fairness>, however, were based in less self-interested perspectives – they also articulated <fairness> over funding Herceptin with other inequalities, including the impact on those without financial resources or already disadvantaged in terms of cancer survival rates, such as Maori and Pasifika. Advocates linked this argument with New Zealand's image of being an egalitarian society (i.e. the FL node of <national character>):

*Those with better financial resources are more often treated with a 12 month Herceptin course which has been clearly demonstrated to increase overall survival and disease free survival. This inequity based on financial circumstances is unfair and unpalatable in this country, where citizens expect equal access to medicines for all.*

[...]

*Existing ethnic and socio-economic disparities in cancer mortality continue to be compounded by failure to provide funding for a 12 month Herceptin course in early breast cancer, particularly given the higher rates of incidence of HER2 positive breast cancer among Māori and Pacific women (A001)*

Advocates further articulated <fairness> with HER2+ breast cancer itself. Not only is getting breast cancer seen as unfair, having the HER2+ variant is too:

*A quarter of breast cancers are HER2-positive and it's devastating news says patient Chris Walsh: "Everything I read was about how aggressive the cancer was, how particularly nasty it was, and I just kept thinking to myself 'why did I have to get that one? Why couldn't I get the other one?' You know, it had more treatment options that weren't as aggressive and had much better health outcomes." (M031, row 9)*

Additionally, during the debate different stages of the disease had different funding for Herceptin – 12 months' treatment was fully funded for metastatic disease whilst early stage had no funding (pre-June 2007) or nine weeks' (post-June 2007) – which advocates argued was unfair: these people had the same disease, so they should receive the same treatment, funded on the same basis. I coded 25 statements to the LoE node of <early & metastatic BC><sup>108</sup> and 1 to the LoD node of <early & metastatic BC>.

Linking fairness with <national character> and <early & metastatic disease> continued through the debate, but articulating it with <choice> largely occurred prior to funding approval for nine weeks treatment. This became funded in April 2007 and this argument receded, being replaced by <international comparison> and <scientific evidence\_proof>.

I coded 109 statements to the LoE node of <international comparison>, mostly from the argument of advocates that New Zealand was out of step with its peers in not providing funding for 12 months' Herceptin treatment:

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<sup>108</sup> BC = breast cancer

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It would be tragic if New Zealand fell behind the rest of the developed world in turning cancer from a deadly disease into a chronic treatable condition (A009)

An important element was ‘peer group’ as countries not funding 12 months’ treatment were not amongst those NZ would ‘normally’ consider peers, suggesting a further, but different, articulation with <national character>:

*The decision means New Zealand is one of just three OECD countries not to fund Herceptin for 12 months – the other non-funding countries being Mexico and Turkey M054*

Advocates also articulated <fairness> with <rationality> to contest Pharmac’s use of CBA, although to a lesser extent than opponents used it to defend the same (see next sub-section). For example, advocates argued that Pharmac’s decision was *not* rational because it was swayed by too much emphasis on cost, hence it was not objective:

*PHARMAC appears unable to weigh up the narrow (drug costs), short-term fiscal imperative against available research evidence ¶ together with the wider and longer-term health care costs, in a logical, systematic, and transparent fashion. (A016)*

This statement articulates <rationality> with the SL node of <scientific evidence\_proof>, linking it with the elements (nodes) of <objectivity> and <proper conduct>.

Arguments of <fairness> were among several presented, seemingly deliberately, in an emotive way and apparently intended to provoke emotional responses in their audience(s), something commented on by other participants:

*Canterbury bowel cancer specialist Frank Frizelle said breast cancer was "sexy" compared with many other types of cancer, and lobby groups had pulled on the public's heartstrings by putting forward cases of afflicted women.*

[...]

*Christchurch urologist Frank Kueppers said an expensive drug for the end stages of prostate cancer, Taxotere, had not received Government funding but could benefit hundreds of men. [...] ¶ "The data (for Taxotere) is pretty much similar to Herceptin in that it does work a little bit," he said. ¶ "But it's just old men and they don't make good cover girls." (M074)*

Whilst on the surface, advocates’ arguments appear more emotive than those of opponents, who relied heavily on appeals to <rationality>, opponents also employed emotive arguments, especially around <fairness>, that I turn to next.

### Opponents' articulations around *fairness*

Opponents characterised CBA as fair to others by articulating <fairness>, not with <individual>, but with the SL node, <constrained resources>. Here they argued that funding Herceptin would take funding away from other treatments, which would be unfair:

*The cost is huge. It's roughly one to two times the national chemotherapy budget. If they fund Herceptin there will be a whole lot of other drugs that don't get to square one. There will be a lot of people who miss out. (M003)*

Opponents further articulated between <fairness> and <constrained resources> with the SL node of <cost-effectiveness> (or 'bang-per-buck'<sup>109</sup>, see Chapter 3), arguing that it was only by getting the most 'health' from the (finite) money available that they could be fair to all. In other words, health funding was presented as a zero-sum, win-lose competition for finite resources, in which some must miss out in order for Herceptin to be funded:

*[Dr Daniel] Hind<sup>10</sup> says a decision like the one Pharmac is looking at is never just about "saving" money. It is about distributing money fairly. "Remember, every time your health care system pays for one person's treatment, they are denying a treatment to somebody else [...] "In Britain, we have anecdotal evidence that when expensive new cancer drugs come on the market, services are slashed for other groups who are less vocal and less well organised: public health, mental health, care of the elderly." The fact that only 1 and 2% of your population are going to need Herceptin at some stage in their lives is no reason for disadvantaging them, but it's no reason for disadvantaging the rest of you (who'll need other types of care) either." (M010)*

Like advocates, opponents articulated <fairness> with the FL node of <national character>, particularly NZ as egalitarian, but for a different purpose. They claim CBA enables <fairness> to those less 'visible' or 'sympathetic', arguing that those most likely to miss out if Herceptin was funded would be those "less vocal and less well organised: [for example] public health, mental health, care of the elderly" (M003). Opponents used these articulations to emphasise the 'opportunity cost' of funding Herceptin and the (un)<fairness> of 'rewarding' vocal media campaigns – the 'squeaky wheel' argument, which denied that <political salience> was (or should be) a relevant criterion in resource allocation decisions:

*Some cancer specialists, the Labour Party and the Women's Health Action Trust say bypassing Pharmac sets a dangerous precedent by politicising the buying of pharmaceuticals. ¶ Trust director Jo Fitzpatrick said Pharmac was charged with making difficult decisions on the "best bang for our drug-spending buck". ¶ "This decision to sidestep Pharmac sends a clear message that a well-organised lobbying campaign can bypass the process," she said. "The bottom line is that money spent in one area takes it away from others, and those with the loudest voices are not necessarily those with the greatest need." (M074)*

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<sup>109</sup> Pharmac now even has a webpage called 'Bang for the buck'. See [/www.pharmac.govt.nz/about/2015/bang-for-the-buck/](http://www.pharmac.govt.nz/about/2015/bang-for-the-buck/)

<sup>110</sup> Dr Hind from the University of Sheffield led the team on NICE's CBA for Herceptin (the SchARR report). That work was used by advocates within their *international comparison* argument.

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I coded 28 statements to the ‘resource allocation criteria’ node of <political salience>. Most were opponents’ statements opposing this as a valid criterion:

*Mr Brougham [Pharmac’s acting CEO] said it was Pharmac’s duty to focus on the evidence, not the public relations hype (M051)*

Instead, opponents tended to articulate <fairness> with <cost-effectiveness> and <constrained resources> to argue for their resource allocation criterion of <economic efficiency>, characterised as obtaining the most ‘health’ from a fixed budget:

*[cost-effectiveness] is often portrayed as cost cutting, but it’s hard to argue against getting the best health outcomes from available funding (M322)*

Opponents further articulated <fairness> and the ‘process’ node of <consistent\_BAU>, to argue that, by applying the same process to all potential interventions, CBA was the ‘fairest’ evaluation method available. Yet this neglects the level and number of judgements and estimations involved in constructing a CBA, a level of subjectivity evident in Pharmac’s CUA documents (P016, P018 and their appendices) but typically missing elsewhere, including Pharmac’s own media statements and press releases.

Opponents also articulated <fairness> with the SL node of <rationality>, arguing that only rational decisions could result in a fair allocation of resources, requiring suppressing or removal of emotionality in such decisions:

*There is not a single Pharmac staff member who, if asked to justify the decision with their hearts, would stand in the way of funding Herceptin. ¶ But it is their duty to New Zealand to use their minds (M051)*

Opponents also articulated <rationality> and <fairness> with the FL node of <objectivity> (to which I coded 298 statements) to argue that to achieve a rational outcome with a fair distribution of resources, allocation decisions must be based on an objective assessment of evidence, preferably against pre-determined, unbiased, and universal criteria. They did this through articulating these with the SL node of <scientific evidence\_proof>, to which I coded 325 statements, with opponents often arguing for scientific research as the epitome<sup>111</sup> of objectivity. <Objectivity> was also presented by opponents as the antithesis of emotionality:

*In the case of the Australian study, the authors comment that, in taking that perspective, the news media would likely make poor choices for society overall (being emotionally-driven). (P007, 13. The role of the Media, PHARMAC comments, p. 34, 1<sup>st</sup> para)*

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<sup>111</sup> Double-blind, randomised, etc.

Here Pharmac articulated in a relation of negation elements of ‘emotion’ and ‘good choices’, where ‘good’ choices (i.e. resource allocations) are made in the interests of ‘society overall’, that is, ‘good’ decisions maximise total societal utility, and it is to ‘society overall’ that <fairness> is owed.

Opponents focused on <objective and neutral> to counter the often emotive and emotional appeals of advocates. By repeating CBA’s claims to objectivity, they tried to appeal to rationality. For example:

*I think we [Pharmac] [make funding decisions] as fairly and dispassionately as anyone could possibly do it [Matthew Brougham, Pharmac’s CEO] (M031)*

### **6.2.3.3 Can CBA be adequately measured? Contestations of CBA’s measurement**

This area of contestation was one where CBA’s subjectivity-objectivity paradox was most clearly displayed. The ‘public face’ (for example, in media releases) of Pharmac’s CUA was one of objective, concrete measurement, whilst its ‘private face’ (in P016, P018, and their appendices<sup>112</sup> especially) evidenced considerable subjectivity regarding estimates, assumptions, ranges of values, sensitivity analyses, etc.

I coded 329 statements to the ‘Confidence of measurement’ node and sub-nodes (<high confidence> (158 statements), <medium confidence> (142 statements), and <low confidence> (27 statements), with two statements to the node itself<sup>113</sup>), suggesting participants were generally positive but uncertain about the possibility of adequately measuring CBA.

#### **Advocates’ articulations around *measurement***

There was little challenge by advocates to cost measurements in Pharmac’s CUA, despite Pharmac’s statement that its results were “very sensitive” to assumptions about several inputs (P016, p.3). The clearest challenge to the <measurement> of cost is where advocates articulated this with <scientific\_evidence\_proof>, <early & metastatic BC>, and <economic logic> to argue that Pharmac had underestimated the costs of treating metastatic disease, making Herceptin appear less <cost-effective>:

*We also urge that the costs of treating metastatic disease be properly accounted for in these models, including recent data suggesting that these costs have generally been underestimated. Dahlberg et al. (2007) state that total health care costs for patients with disseminated cancer in the era of modern treatments are likely to be three to nine times*

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<sup>112</sup> These are technical documents not normally released to the public.

<sup>113</sup> These are statements in P016 (Pharmac’s CUA). The first is a key to a categorisation of evidence quality, the second a caution about interim data reliability.

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*higher than has been assumed in previous cost-benefit analyses, thus the financial benefits of preventing disease progression by treating to cure in early stage disease have been significantly underestimated. (A001)*

Note that this also articulates with <proper conduct> – “be properly accounted for” – and <expertise> through appealing to the authority of the findings of a published study (“Dahlberg et al., 2007”).

Advocates articulated <medium confidence> of measurement with <scientific evidence\_proof> to argue that Pharmac had under-estimated Herceptin’s benefit in its calculations:

*The major issue does not appear to be whether Herceptin works. Everybody agrees that it does (A008)*

Later in the debate, following Pharmac’s decision to fund 9 weeks of treatment, they articulated these with <9 weeks vs. 12 months> to claim that Pharmac had under-stated (or under-weighted, see Section 6.2.3.1) the scientific evidence of the efficacy of 12 months’ treatment compared to 9 weeks, partly due to an alleged over-emphasis by Pharmac on cost:

*"Sometimes the evidence comes out with an expensive option and it, one can see that they've seen a cheaper option which looks like it might be compelling, but if there was no 12 month data for Herceptin, there's no way they'd accept the 9 week data, I would have thought - they'd say that the study was insufficiently powered and preliminary et cetera. So my concern is that Pharmac have, through their funding restrictions, have been pressed into a decision about 9 weeks being a worthwhile 'number 8 wire' solution, I guess." [Michael Findlay, Professor of Oncology, Auckland Medical School] (M031)*

Advocates articulated <rationality> with <scientific evidence\_proof> and <measurement> to challenge Pharmac’s measurement of ‘benefit’ in its CUA. For example, they articulated these elements with the LoE node of <9 weeks vs. 12 months> to argue it was irrational for Pharmac to deny (or claim uncertainty) over the evidence of benefit:

*Overall survival benefits are still recognised as the ‘gold standard’ of oncological treatment efficacy. Put bluntly, New Zealand women are to be denied a treatment regimen [12 months’ Herceptin] which has been robustly shown to save lives and are instead to be offered one [9 weeks] which has not (A016)*

There was some contestation of the models used in calculating Pharmac’s CUA. This involved the articulation of <confidence of measurement> nodes with others, including at different points <scientific evidence\_proof>, <expertise>, <relevance>, <cost as obstacle>, <>true cost>, <resource allocation criteria>, <process>, and <quality of inputs> nodes. The main contestations concerned the over weighting given to Herceptin’s cost –and its benefits – presented as under-weighted – but there is also some contestation of the operation of Pharmac’s model. For example:



*'The decision to fund 9 weeks of Herceptin with chemotherapy clearly illustrates the need to separate the functions of drug purchase and determination of effectiveness and cost benefit, processes currently combined within the drug purchasing agency', said Ms Burgess. 'This leads to confused, compromised decisions' (M028)*

Advocates articulated <confidence of measurement> with <family> and <motherhood>, and <economic logic> to argue women's lives were under-valued in Pharmac's CUA:

*Many HER2-positive women are young women, mothers with children and/or careerfocussed [sic] lives. They, their families, and ultimately the New Zealand economy should benefit from the drug being given to them free of charge. [...] It makes good social and fiscal sense to save the lives of early HER2+ women. [...] not to mention keeping many New Zealand families intact. (A003)*

Advocates' challenges of the measurement of CBA took its <facticity>, <objectivity and neutrality> for granted. Although they challenged some measurements in Pharmac's CUA, they went little beyond saying 'that number is wrong', implying that, even they thought Herceptin's CBA was inadequately (i.e. correctly) measured, it *could* have been. In other words, these articulations by advocates critiqued the figure ascribed to the 'fact' of Herceptin's CBA, rather than its facticity *as such*, as advocates did not contest the constructed nature of Pharmac's CUA. Even advocates called for (some) changes to Pharmac's inputs or weightings in its model but made no arguments for attention to be paid or changes to the judgements or assumptions therein (e.g. discounting of future benefits<sup>114</sup>). I argue that this potentially arises from the advocates' aim to persuade their audience of their own valuation of Herceptin, rather than the non-facticity of Pharmac's, through linking this with the hegemonic characterisations of CBA as <factual> and as <objective and neutral>. I discuss this further in Chapters 7 and 8.

### **Opponents' articulations around *measurement***

Opponents articulated <medium confidence of measurement> with <expertise>, <objectivity>, and <medium quality of inputs> to characterise CBA as sometimes necessarily a 'best estimate', that is, a bit 'fuzzy', or indeterminate, usually where inputs were unavailable or of poorer quality than ideal. In this debate, the indeterminacy was mostly the quantification of 'benefits', with 'cost' taken-for-granted, raising an interesting question of how uncertain inputs can generate certain outputs and showing a further manifestation of CBA's subjectivity-objectivity paradox, given that this narrative appeared mostly, though not exclusively, in Pharmac's technical documents. Opponents further articulated these

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<sup>114</sup> Costs are almost entirely upfront and so undergo little to no discounting and the discount rate shows the largest sensitivity on Pharmac's own calculations (PHARMAC 2007c).

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elements with <true cost> and <high factuality> to present the estimation process to quantify inputs, especially of ‘health’, as challenging but not insurmountable, characterised by a faith in the ‘true’ value existing within a calculable range, meaning even estimated CBAs are still sufficiently reliable to be used in decision-making.

At other times, opponents articulated <medium confidence of measurement> with <multiple allocation criteria> and <scientific evidence\_proof> to argue that the evidence on Herceptin’s benefit was presently insufficient for it to be measured accurately:

*The Committee considered that the long-term cardiac safety of trastuzumab is unclear, and that there is insufficient evidence to indicate whether the risks are dose-related, or if they are reversible upon cessation of treatment. ¶ The Committee considered that both the benefit and safety data for trastuzumab in early breast cancer were premature at present. (P016, p. 42, paras 20.20 & 20.21)*

*Though we appreciate the difficulties for patients and families, the decision to not fund Herceptin was based on robust assessment of the evidence and the very risky nature of such a high cost investment given uncertainty in that evidence. (M271)*

As discussed, regarding <fairness>, opponents defended CBA by articulating it with <cost-effectiveness> and <constrained resources> to argue for its role in maximising ‘health’ for New Zealand given the money available. This is presented as not only to ensure <fairness>, but, along with <rationality>, as a desirable end in itself:

*“It is only natural to feel empathy for sufferers of breast cancer and other serious illnesses [but] New Zealand’s pharmaceutical budget is not bottomless and it is our duty to ensure that it is well-spent. (P006)*

The 318 statements coded to the <cost-effectiveness> node were largely concerned with maximising the ‘health’ for New Zealand given the money available. Examples include:

*Is Herceptin worth the high cost? There are obvious benefits to society in treating someone at an early stage to prevent the return of cancer, not least the money saved by not having to treat them as they die from advanced disease. Economic analyses in other countries have shown that providing subsidised Herceptin is cost-effective in terms of gain in quality and length of life for their women. (A008)*

*“We need to be sure that Herceptin offers sufficient benefit for its considerable cost. We don’t have that confidence at the moment” [David Meates, DHBs spokesperson] (M006)*

Yet, consistent with the literature surveyed in Chapter 3, opponents (sometimes) recognised that <cost-effectiveness>, especially regarding ‘health’ is problematic to quantify and aggregate:

*[Pharmac’s] job is to ensure that opportunity cost is minimised, that the best spending opportunities are chosen and the worst forgone.¶ But measuring opportunity cost is difficult, since it is measured in terms of “value”, and value is more subjective than just the dollars paid (M343)*

Here Pharmac's CEO articulated <economic logic> ('value', 'opportunity cost') with <objectivity> and, especially, <numbers as objective>, arguing that because 'opportunity cost' is difficult to quantify, it is less objective than 'dollars paid', which is (more) straightforwardly quantified.

Opponents' insistence of limited availability of resources (i.e. their articulations of <constrained resources> with <rationality> and <cost-effectiveness>) was sometimes challenged by advocates, who instead suggested increasing the size of the 'pot' of money available:

*Why, with CaTSoP's stated preference for 12 months of therapy did PETAC [sic], the PHARMAC Board, and the DHBs not actively pursue additional funding from the Health Minister, rather than try to restrain spending within their current budget? (A016)*

Here advocates articulated <constrained resources> with <choice>, <expertise>, and <'doctor knows best'><sup>115</sup>. This was an unusual<sup>116</sup> articulation of <choice> for advocates, used to suggest that Pharmac could make active prioritisation and/or political choices, but this was unable to be sustained, being readily countered by opponents who returned to <cost-effectiveness> articulated with <economic efficiency> as a resource allocation criterion to argue that, even with a larger budget, other interventions would have priority over Herceptin due to their higher 'return on investment':

*But what if the government increased budgets? Even then, asks Meates [DHBs spokesperson], is Herceptin the best use of a further \$30m? ¶ "Are we better off to instead do more hip replacements, cataract operations, fund more mental health services or give more to aged residential care?" (M010)*

Whilst advocates' articulations around measurement presented above do little to challenge its <facticity> or <objectivity>, in one of the few acknowledgements of CBA's contingency in the debate, Pharmac's own CUA drew attention to the level and number of judgements made within it:

*Hence it is not necessarily the results that may be different – **it is the choice of assumptions that differs, and drives the results.** (P018, p. 30, Discussion, International cost-effectiveness analysis results, 3<sup>rd</sup> para, emphasis added)*

I return to this in Chapter 8 when discussing RQ5.3 – how else could participants have contested or defended CBA?

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<sup>115</sup> CaTSoP was entirely composed of oncologists at the time of the debate.

<sup>116</sup> For advocates' more usual articulations of *choice*, see Section 6.2.3.1 above.

### 6.2.3.4 *Does CBA include the right things? Contestations of how CBA treats ‘externalities’*

I coded 173 statements to the sub-nodes of the ‘Externalities’ node – 4 to <inclusive of ‘externalities’>, 18 to <selective inclusion of ‘externalities’> and 151 to <exclusion of ‘externalities’>, although it should be noted that these totals include statements that are positive, neutral, and negative toward these descriptors. These totals show that advocates and opponents largely agreed that CBA excludes ‘externalities’, like impacts on communities and families, non-DHB costs, and others mentioned in the literature reviewed in Chapter 3. What the totals fail to show is just how much participants differed on whether this was or was not appropriate. Indeed, challenges to CBA’s boundaries (i.e. inclusion/exclusion) were some of the most common in my sample, with advocates generally arguing for (at least some) inclusions and opponents typically arguing for continued exclusion.

#### **Advocates’ articulations around exclusion of ‘externalities’**

Advocates articulated the <‘externalities’> nodes with others, including <choice>, <individual>, <specialness of breast cancer>, <cancer as enemy>, <individual need> as resource allocation criterion, and <some change desired>, but especially with the FL nodes of <family>, <hope>, <motherhood>, and <>true cost> to challenge CBA’s boundaries of inclusion/exclusion. Advocates employed these articulations to charge Pharmac with omitting from its CUA several aspects they consider important, including stress and emotional toll on patients, the pressure to minimise the cost to their families, travel time and expense for those outside of centres offering private treatment, and the shame of asking for money and/or making public acknowledgement of their illness and diagnosis. For example:

*Dr Blue [Opposition Associate Health spokesperson] says women are going to desperate lengths to find the \$100,000 or so to fund the year-long course and it couldn't happen at a worse time. ¶ "These women are at their lowest physically and emotionally, having had to face a breast cancer diagnosis, undergo surgery and toxic chemotherapy. ¶ "Because the amount of the drug needed for treatment is linked to body weight, women are trying to diet to get their weight down to further reduce the cost. ¶ "As well, because there appears to be a big variation in oncologist charges across the country, women are considering traveling hundreds of kilometres to get the treatment. ¶ "It's cruel and inhumane that many women have to resort to what amounts to public begging to find the money, mortgage their homes to the maximum, or face not taking the medication and the greater risk of the cancer returning and possible death." (M251)*

These articulations are consistent with some of the critiques of CBA’s inclusion-exclusion boundaries presented in Chapter 3.

### Opponents' articulations around 'externalities'

As noted above regarding <fairness>, opponents tended to articulate <exclusion of 'externalities'> with <economic efficiency> and <objectivity>, to argue for a <fairness> of process (i.e. treating all potential treatments alike). Opponents tended to regard such <exclusion of 'externalities'> as appropriate, challenging some advocates' calls for inclusion of currently excluded 'externalities' by articulating the <'externalities'> nodes with those of <consistent\_BAU> process, <quality of inputs>, and <proper conduct> to argue that Pharmac's CUA already included, for example, health outcomes that advocates regarded as important, via the calculation of QALYs:

*Health related quality of life measures inherently encompass psychological/psychosocial aspects. In the case of Herceptin, the costs of terminal care and lower quality of life associated with terminal cancer (including the psychological aspects of terminal cancer) were included in the analysis, as Herceptin treatment is likely to delay the time when terminal care is required. (P007)*

Opponents articulated <proper conduct> against the element of <individual> to defend CBA against advocates' claims that CBA should include 'personal costs' such as travel or regional variations in the cost of Herceptin in their CBA. Pharmac was explicit about preparing their CUA from the point of view of the DHBs (i.e. funders) and argued that it was therefore correct to exclude such items.

Pharmac also articulated <constrained resources> and <proper conduct> with <exclusive of 'externalities'>, <cost-effectiveness>, and <economic efficiency> as resource allocation criterion to defend the boundaries of its CBA, emphasising that it operated with a capped budget and was statutorily bound to seek efficient resource allocation.

#### 6.2.3.5 Does CBA rely on the right experts? Contestations of expertise in CBA

Whilst participants largely shared the hegemonic characterisation of CBA as <dependent on expertise>, they disagreed on which experts took (or should take) priority in its operation and I coded 76 statements to the SL node <'doctor knows best'> and 111 to the LoE node <expertise>.

### Advocates' articulations around expertise

For advocates, the most relevant experts are doctors, especially oncologists, whose views, they argued, should have priority when considering anything related to cancer. They did this by articulating the <expertise> node(s), particularly strongly with <'doctor knows

## Chapter 6 – Articulating CBA into Meaning

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best' >, challenging Pharmac's articulations of <economic> and technical <expertise> with <numbers as objective>. For example:

*Ms Burgess said the Herceptin debacle offers a classic case of bureaucrats overriding medical experts to prescribe treatments for patients (A017)*

Additionally, advocates often articulated <scientific evidence\_proof> with <objectivity> and research scientists' <expertise> to argue that Pharmac had relied on the 'wrong' experts in constructing its CBA:

*"They say the trial results aren't conclusive but the real reason is that they are more accountants than health people and they'd rather skate about their surplus than treat people," she said (Christchurch HER2 breast cancer sufferer Mbairi Flett: M002, p.1, 8<sup>th</sup> para)*

### Opponents' articulations around expertise

In contrast, opponents largely opted out of directly contesting <expertise>, relying mostly on the hegemonic characterisation of CBA that articulated <expertise> with <quantitative>, <objective and neutral>, and <about economics (and money)>. Outside of this, opponents' articulations around <expertise> mostly linked <medium quality of inputs> to <scientific evidence\_proof>, to question the certainty of Herceptin's benefit:

*Pharmac would continue to monitor trial results, and its clinical advisory committee would discuss new evidence next month. ¶ "At the moment, the data is not strong enough to support a positive funding decision, although we are open to funding Herceptin if better-quality evidence becomes available," [Dilky Rasiyah, Pharmac spokesperson]*

Having presented participants' characterisations and contestations of CBA, the next section consider how they linked to the roles CBA played in the debate.

### 6.3 Roles of CBA in the Debate

This section addresses the second part of RQ1 – What role/s does CBA play in the Herceptin debate? To do this, I draw on Burchell et al. (1980) who outline four 'roles' played by accounting under different conditions of uncertainty, and articulate these with elements in the Herceptin debate to generate a case-specific understanding of the roles played by CBA. I begin by introducing the four roles of **answer machine**, **learning machine**, **ammunition machine**, and **rationalisation machine**.

6.3.1 Roles of accounting information

Burchell et al. ground their suggested roles of accounting in earlier work on organisational decision-making that recognises two axes of uncertainty – uncertainty of objectives and uncertainty of the relationship between cause and effect. Considering combinations of ‘High’ and ‘Low’ degrees of each type of uncertainty in turn, whilst recognising that a two-by-two matrix is inadequate to convey the full complexity of decision-making, they argue for its usefulness as a means for thinking about “at least some of the diverse ways ... accounting” is implicated in organisational decisions (Burchell et al. 1980, 13).

		Uncertainty of objectives	
		<i>LOW</i>	<i>HIGH</i>
Uncertainty of cause & effect	<i>LOW</i>	Decision by computation <i>‘Answer machine’</i>	Decision by compromise <i>‘Ammunition machine’</i>
	<i>HIGH</i>	Decision by judgement <i>‘Learning machine’</i>	Decision by inspiration <i>‘Rationalisation machine’</i>

Figure 15: Uncertainty, decision basis, and roles of accounting

Figure 15 above combines Figures 1 and 2 in Burchell et al. (1980, 13, 14) to show the differing bases for decision-making associated with different combinations of high and low uncertainties and the roles that accounting may play in each.

6.3.1.1 ‘Answer machine’

Where objectives and causal relationships are clear and well-understood (i.e. low-low uncertainty), “it is possible to compute whether the consequence of the action ... being considered will or will not satisfy the objectives” and so “algorithms, formulae and rules can be derived” which will generate a definitive answer (Burchell et al. 1980, 14). That is, accounting techniques like CBA, if ‘programmed’ correctly with accurate inputs and appropriate ‘algorithms’, can generate the ‘correct’ answer to a decision problem. Here accounting takes on the role of <answer machine>. I suggest that <answer machine> forms an articulation of, amongst others, the following elements in the Herceptin debate: <high factuality>, <quantitative>,

<objective and neutral>, <high confidence of measurement>, <consistent\_BAU> process, <decision criteria>, and <single allocation criterion>.

### **6.3.1.2 ‘Learning machine’**

Where objectives are clear (low uncertainty) but causal relationships are not (high uncertainty), Burchell et al. argue that accounting’s role changes from calculating the ‘right answer’ to informing decisions made through judgement. Here it functions as a <learning machine>: “Rather than providing answers, accounting systems might be expected to provide assistance”, through “such [techniques as] *ad hoc* analyses, what-if models and sensitivity analyses” (Burchell et al. 1980, 15). I suggest that <learning machine> forms an articulation of, amongst others, the following elements in the Herceptin debate: <medium> or <low confidence of measurement>, <medium quality of inputs>, <multiple resource allocation criteria>, <expertise>, <relevance>, and <risk>.

### **6.3.1.3 ‘Ammunition machine’**

Where objectives are uncertain but causality clear, Burchell et al. claim accounting may take on a role of <ammunition machine>. Here accounting becomes the means “by and through which interested parties seek to promote their own particular positions” (1980, 15). Importantly, uncertainty in objectives may arise through dispute and disagreement, not only from ambiguity or doubt and so “[r]ather than creating a basis for dialogue and interchange ... accounting systems are often used to articulate and promote particular interested positions and values” (Burchell et al. 1980, 17). I suggest that <ammunition machine> forms an articulation of, amongst others, the following elements in the Herceptin debate: process <exception>, <individual need> and/or <political salience> as resource allocation criteria, <high> or <medium factuality>, <choice>, <proper conduct>, and <decision criteria>.

### **6.3.1.4 ‘Rationalisation machine’**

Where both objectives and causal relationship are uncertain, decisions must be taken without a clear understanding of the connection between these, meaning “there is often a need for a retrospective understanding of the emergence of action” (Burchell et al. 1980, 18). Here accounting can function as a <rationalisation machine>, acting to “justif[y], legitimize[...] and rationalize[...]” those actions (ibid):



*“Then, as now, the main raison d’être of cost benefit analysis, as practiced, has been aimed at justifying projects rather than as a tool for investment planning” (Pringle [sic] 1978, in Burchell et al. 1980, 18)<sup>117</sup>*

I suggest that <rationalisation machine> forms an articulation of, amongst others, the following elements in the Herceptin debate: <proper conduct>, <fairness>, <cost as obstacle>, <choice>, <medium> or <low quality of inputs>, <medium> or <low confidence of measurement>, <medium> or <low factuality>, and <power differential>.

### **6.3.1.5 Discussion of roles of CBA in Herceptin debate**

Accounting’s long association with the calculative (Chiapello and Walter 2016; Lampe and Sharp 2017; Robertson and Funnell 2012) make the role of <answer machine> familiar. Perhaps this familiarity was why this role was the one most often ascribed to CBA by both advocates and opponents of funding. I coded 153 statements to the node <answer machine>, 120 to <learning machine>, 18 to <ammunition machine>, and 26 to <rationalisation machine>. Examples of <answer machine> role in the debate include:

*“The reason they're funding, or going to fund the 9 week regime is because it's cheaper. That's the only reason.” (M031)*

*“Government drug-buying agency Pharmac confirmed it would not fund Herceptin for early stage breast cancer last month, citing its cost and insufficient evidence of its effectiveness” (M272)*

I suggest therefore that <answer machine> was the dominant, possibly hegemonic, role for CBA in the debate. Indeed, so dominant is this role some participants argued that CBA *should* function as an <answer machine>, even if they suggested that it did not in this case:

*“These issues always are fraught with personal emotional circumstance, which is why robust methodology should be used to determine the standards to be applied. ¶ By giving the Herceptin issue front-page billing, you're supporting the concept that the squeaky wheel should receive the grease, rather than adopt consistent standards that can be applied to all, rich or poor, influential or not.” (M310)*

Meanwhile, although <learning machine> was the second most used (by number of coded references in my sample) role, it was only present in the discourses of opponents of funding. It was the dominant role ascribed by Pharmac to its CUA, with small uses by the Health Minister and representatives of the DHBs.

Pharmac often emphasised that its CUA is only one input amongst several or many to its funding decisions. The emphasis on the <learning machine> role was perhaps strongest when

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<sup>117</sup> Gautam Pringle’s name is misspelled as “Pringle, G” in Burchell et al. (1980).

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Pharmac pointed to the uncertainty of the relationship between cause and effect in the evidence of Herceptin's efficacy by emphasising the lack of long-term mortality and morbidity data of the scientific trials.<sup>118</sup> This pushed the relationship between cause and effect towards high uncertainty and necessitating the use of judgement in its decision. For example:

*On the other hand, PHARMAC determines which of the medicines that are available in New Zealand will receive a subsidy, and considers relative efficacy, safety, cost-effectiveness and budgetary impact compared to already funded treatments, among other factors, when making these decisions. (P007)*

*PTAC considered that there was still uncertainty about the best way of administering trastuzumab in terms of optimal treatment sequencing, duration, minimising cardiovascular toxicity, and long-term clinical outcomes. The optimal treatment regimen in HER2-positive early breast cancer cannot be determined from the current evidence. (P007)*

The spread of accounting and calculative practices into areas more usually associated with other types of expertise has been noted by many scholars (e.g. Chua and Preston 1994; Miller 2001; Modell 2014). Burchell et al. note the increasing 'push' of calculative practices into areas once the domain of judgement and the tendency of the <answer machine> to edge out the <learning machine>:

*However this [judgement] is also the area of decision making where we have seen enormous extensions of more traditional approaches to computation practice. For the uncertainty, some would claim, has been seen as a threatening but not inevitable state of the world, needing to be masked, if not reduced, by an investment in the advancement of calculative systems. Accordingly the accountant has devised systems which can themselves **absorb rather than convey the surrounding uncertainties.**" (Burchell et al. 1980, 15, emphasis added)*

I return to this in Chapters 7 and 8.

The role of <ammunition machine> was also present in advocates' narratives, despite it having the lowest count of statements coded to any of the four 'role' nodes. It appears at first glance to play only a minor role in the debate. Given the differing objectives of Pharmac and the advocates for funding (and their differing views on the certainty of the cause-and-effect relationship between Herceptin and 'cure'), CBA might be expected to play (at least by advocates) this role in the Herceptin debate. Why this role was not more prominent requires further discussion, which is in Chapter 8. Here I note that, although uncommon, the <ammunition machine> role was far from unimportant as this was the role advocates ascribed to CBA within one of their key narratives, which positioned *Pharmac as cancer's collaborator*.

### Pharmac as cancer's collaborator

*"I'm looking at everything I possibly can to fight this" (M002)*

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<sup>118</sup> It should be noted that this lack was due to the then-recency of these trials, rather than any failure of their follow-up or design.

One area where CBA was presented as an <ammunition machine> was in the advocates' narrative I termed '**Pharmac as cancer's collaborator**'. This narrative relied on a dominant SL of <individual> patients <'battling' cancer><sup>119</sup> and drew on "prevail[ing]" public discourses of cancer employing metaphors of battle, war, and fighting (Clarke and Everest 2006, 2597), whereby the disease is positioned as an 'enemy' to be 'conquered' and

*[p]atients are expected (and volunteer) to "fight" by undergoing treatments that can have horrendous side effects. If they respond and the cancer remits, they are called "survivors" (a term of victory) (Downar 2010)*

In this narrative, advocates positioned CBA within the 'battleground' in which patients engaged in a zero-sum (win/lose) 'fight to the death' against cancer, and Pharmac's refusal to fund the treatment "promoted as the magic bullet" to cure HER2+ breast cancer (Women's Health Action Trust director Jo Fitzpatrick, quoted in M054<sup>120</sup>) was positioned as helping the 'enemy':

*I was incensed women had to beg for life-saving medication. It is wrong for women to have to bare their souls to the wider public to get appropriate treatment for a killer disease. (A003)*

*The major issue does not appear to be whether Herceptin works. Everybody agrees that it does. The question for New Zealand is – will the number of lives saved justify the cost? [...] The early data suggests that Herceptin could save between 50 and 100 New Zealand lives per year. Are these women's lives not worth saving? (A008)*

*Pharmac seems to use numbers to confuse the readers about what is really going on. (M004)*

*The NZMA says access to medicines is increasingly compromised. "And, while this may be simply because New Zealand does not have the funding of other countries, the purchasing process is not sufficiently transparent for us to be certain of this" [Dr Ross Boswell, former chair of NZMA] (quoted in M072)*

Finally, the <rationalisation machine> role for CBA was also present when advocates suggested, for example, that Pharmac made its funding decisions to 'ration' available <constrained resources>, using its CUA to justify such decisions, rather than in <objective> manner:

*An Australian breast cancer expert has accused Pharmac of misleading the public over Herceptin. Associate professor Fran Boyle from the University of Sydney says the drug subsidy agency interpreted the scientific evidence to suit what was essentially a rationing decision (M124, p. 1, 1<sup>st</sup> & 2<sup>nd</sup> paras)*

Like <ammunition machine>, this was a minority role, (unsurprisingly) present only in advocates' items. Unlike <ammunition machine>, this role was not present in any of the debate's key narratives, featuring only tangentially despite its higher statement count in my coded sample.

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<sup>119</sup> I coded 32 statements to this SL node and 59 statements to the FL node of *cancer as enemy*.

<sup>120</sup> Ms Fitzpatrick was defending Pharmac's decision, speaking of "the high level of public misunderstanding about the drug and its effects" and "We wish that [cure] was true but the evidence just isn't there and people need to know that. At its best, 87 women in every 100 taking Herceptin get no benefit from the drug at all and may be harmed by it" (M054).

Based on this analysis of the roles of CBA in the Herceptin debate, I argue that the conflict between the dominant metaphors used by advocates (<answer machine>) and those used by opponents (<learning machine>) formed an impasse where they appeared to be talking about the same thing, but in fact talked past one another. Opponents framed the decision as one where objectives were certain (i.e. to maximise <cost-effectiveness>), but cause and effect were uncertain (because of uncertainty in the evidence for long-term benefit from Herceptin), moving it towards <learning machine>, where judgement matters, and away from <answer machine>, where judgement is not required. Conversely, advocates framed it as one of certain objectives (to meet <individual need>) and certain cause and effect (claiming <scientific evidence\_proof> of Herceptin's efficacy), pushing it back into <answer machine>. If this was such a decision, then Pharmac's funding refusal could only be due to their calculation of cost – since, in this articulation, benefit was 'proven' and the hegemonic characterisation of CBA was <factual>. Indeed, this was how advocates characterised the role of CBA in Pharmac's decision:

*Breast Cancer Advocacy Coalition chairwoman Libby Burgess said breast cancer sufferers were "totally devastated" by the decision, which she said was based solely on cost. (M002)*

### 6.4 Summary and Conclusion

This chapter addressed both parts of RQ1 – How was CBA characterised by the participants in the public debate between 2006 and 2008 on funding Herceptin for early HER2-positive breast cancer in NZ? What role/s did it play in that debate? – and RQ3 – How was CBA contested and defended in the debate? – by laying out my articulation of the articulations of participants in the Herceptin debate.

In Section 1, I examined the language used by participants, splitting these into three 'source' categories of advocates' items, opponents' items, and media items. I found the terms 'cost' and 'benefits' were used in similar frequency by advocates, 'costs' was used more often than 'benefit' by advocates (although potentially because opponents used various terms (including QALY, efficacy, survival) denoting 'benefit'), and 'costs' appeared much more frequently than 'benefit' in media items. The opponents' items used more technical language than the advocates', which in turn used more technical language than the media items.

Section 2 listed the elements identified as key in advocates' and opponents' articulations. Most elements appeared in lists used by both discourse coalitions, so I separated my discussion of them into two parts – shared and contested characterisations.

I then presented the shared characterisations – a set of elements which participants articulate with the same or similar meanings, arguing that together these form a hegemonic characterisation of CBA. These elements are: <expected>, <quantitative>, <objective and neutral>, <factual>, <about economics (and money)>, and <dependent on experts>.

Then I outlined five key contestations around CBA. These were around whether CBA was the sole (or main) <decision criterion> or just one of several; whether CBA was fair, and to whom <fairness> was owed; whether CBA could be adequately <measured>; whether CBA should <include economic 'externalities'>; and which <expertise> was most important. Within these I laid out how participants articulated elements identified as key with others to create particular meanings for CBA and were employed in their arguments.

Section 3 drew on Burchell et al. (1980) to discuss the roles CBA played in the debate. I found that all four of Burchell et al.'s roles of accounting were present. The <answer machine> was the dominant, possibly hegemonic, role, with the other roles appearing much less often. This does not imply that these other roles were unimportant, however. Opponents favoured <learning machine> and the role of <ammunition machine> played an important part in the advocates' narrative I termed '*Pharmac as cancer's collaborator*'. Finally, I argued that the conflict between the role metaphors used by advocates (mostly <answer machine> with some <ammunition machine>) and opponents (mostly <learning machine> with some <answer machine>) helps explain how participants appeared to be talking about the same thing, but in fact talked past one another.



## 7. An Explanatory Complex for CBA’s Grip in the Debate

As described in Chapter 5, the second objective of an LCE study is to produce a retroductive explanation of a problematised phenomenon – namely CBA’s subjectivity-objectivity paradox – by articulating “a plurality of logics in a historically specific and complex set of social circumstances” (Glynos and Howarth 2007, 214). This chapter details that articulation, drawing together the presentations, characteristics, and roles of CBA offered in Chapter 6, the debate’s ‘surface of emergence’ outlined in Chapter 2, and the literature reviewed in Chapter 3. My aim is to address RQ4: How can we account for CBA’s continued grip? Producing such an explanation requires me to “link[...] together different concepts and empirical raw materials to produce an explanatory complex of many relations and determinations” (Griggs and Howarth 2013, 48), that “seek[s] to render [CBA’s grip] more intelligible” (ibid, 46). As grip results from the resonance of some FLs with subjects’ existing mode(s) of *jouissance*, in generating my *explanans* for CBA’s grip in the Herceptin debate, I focus on FLs and how or why they have particular resonance, or an ability to elicit *jouissance*, in these particular circumstances, drawing on how the SLs and PLs underpinning the three logics are mutually constitutive (see Chapter 4).

This chapter also addresses RQ3: How is CBA contested and defended in the debate? I also focus on FLs here, for as detailed in Chapter 4, FLs help answer Müller’s question of “Why do subjects ‘turn around when ... called’” by particular discourses? (2013, 282). Here FLs and *jouissance* are crucial to understanding the persuasiveness of those ‘calls’, or why their audiences find them compelling. As *jouissance* is an affective, embodied response arising from (the failure of) an attempted closure of meaning, explaining CBA’s grip requires exploring the lack that debate participants seek to fill and the fantasies<sup>121</sup> deployed as prospective closures in participants’ narratives.

The remainder of this chapter takes the following form: Section 1 lays out my explanation for the characteristics nominated as hegemonic in Chapter 6. It investigates the resonances of the FLs deployed by participants in the debate, and argues that CBA de-politicises resource-allocation decisions through these hegemonic characterisations. Section 2 considers the logics employed in defending CBA. Section 3 discusses those employed in contestations, focusing on how they support or undermine (or sometimes both) CBA’s hegemonic characterisation(s). Section 4 concludes the chapter with a summary of the other sections.

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<sup>121</sup> i.e. the content of the various FLs.

### 7.1 Accounting for CBA’s Grip

In Chapter 6, I argued the following characterisations of CBA were hegemonic: that CBA is <expected>, <quantitative>, <objective and neutral>, <factual>, <about economics (and money)>, and <dependent on expertise>. These characterisations represent successful, sedimented closures of the meaning of CBA in this context. Here I discuss some possible FLs and fantasies that give CBA ‘weight’ in this debate. First however, I briefly consider the lack(s) that participants were attempting to fill.

#### 7.1.1 What lack(s) are participants attempting to close?

*The oldest and strongest emotion of mankind is fear, and the oldest and strongest kind of fear is fear of the unknown ~ H. P. Lovecraft*

CBA is inherently forward-looking (see Chapter 3) and represents an attempt to deal with a future whose unknowability creates uncertainty and psychological discomfort. People seek to avoid or reduce this wherever they can, prompting attempts at a closure of meaning such that the uncertainty ‘disappears’ – at least from awareness. *Jouissance* is elicited as part of this process, as a subject identifies around<sup>122</sup> the fantasies (beatific and/or horrific) mobilised by narratives in these attempts to close or ‘cover over’ the inherent uncertainty of meaning (Glynos and Howarth 2007). In CBA’s case, the attempted closure/s “[seek] to render the future knowable, calculable, and amenable to control” (Miller 2001, 391). Areas of uncertainty in this debate include what priorities for funding should be, the best means to achieve them, and how resources should be allocated to attain those priorities. Acting to resolve any of these uncertainties involves an exercise of power, as each is contestable and none self-evident. In the sub-sections below, I argue that the hegemonic presentation of CBA took the first (priorities) for granted, influences the second (means), and is positioned as the solution to the third (resource allocation).

#### 7.1.2 Possible sources of CBA’s grip

I argued in Chapter 6 that the hegemonic presentation of CBA as <expected> offers evidence of its grip in this debate – no statements coded characterised it as <remarkable to use>. Given the extensive critiques of CBA (see Chapter 3), why CBA’s use should be so sedimented as to remain unquestioned in my sample<sup>123</sup> is the ‘puzzle’ that prompted my study, so I address it here. One reason why Pharmac (the key opponent of funding) routinely characterised CBA as

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<sup>122</sup> As emphasised in Chapter 4, such identification is not necessarily *with* (i.e. in favour of) these fantasies – people may be violently opposed to or outraged by a particular presentation – but psychoanalytically, *any* embodied response will elicit *jouissance*, just of a different mode.

<sup>123</sup> Although see Section 5.5.2 on the limitations of my sample for surfacing such questioning.



<necessary to use> may simply be that it must follow Treasury guidelines and its own Prescription for Pharmacoeconomic Analysis (PFPA) mandate CBA’s use (PHARMAC 2007b; New Zealand Treasury 2005). In using the term ‘prescription’ for its assessment manual, Pharmac nods to its medical use as treatment recommended for an ailment,<sup>124</sup> and its wider sense of a detailed set of instructions imposed or demanded by others. Such routine use leads to CBA’s sedimentation, enhancing its grip through repetition and familiarity. However, to suggest that this is the only reason Pharmac expects to use CBA is too simplistic – PDT approaches regard all social practices as over-determined (see Chapter 4) – and in its defences of CBA Pharmac explicitly voices other justifications, some of which I discuss below.

It is harder at first glance to explain why advocates also <expected> CBA to be used, although their narratives must be viewed within the wider context and genealogical history of the debate; “calculative practices and language of accountancy have seeped into everyday life to an extent that would have seemed improbable ... half a century ago” (Miller 2001, 391), so we should expect all participants’ narratives to bear their marks.

In the remainder of this sub-section, I explain CBA’s grip, and its characterisation as <expected>, by linking logics identified in participants’ narratives with the debate’s ‘surface of emergence’ (see Chapter 2) and its hegemonic presentation (see Chapter 6), helping to explain how these gave CBA weight in this debate.

### **7.1.2.1 20-plus years of constructing a more ‘business-like’ public sector**

*As we enter the twenty-first century, the calculative practices of accountancy are intrinsic to and constitutive of social relations, rather than secondary and derivative (Miller 2001, 392)*

One aim of the 1980s and 1990s public sector reforms (see Section 2.2.1.1) was to make it more ‘business-like’ (Scott 1996). Structures and systems were put in place to give effect to the “values of neoliberalism”, including “self-sufficiency, inclusion<sup>125</sup>, entrepreneurialism, [and] productivity” (Riedner 2015, 20). Consistent with the constructivist view discussed in Chapter 3, these values helped (re)shape the resulting practices and subjectivities. These, in turn, reproduced their embedded assumptions through ‘talking them into existence’ (Austin 1962) (see also Chapter 3). The narratives of the reforms, described in Chapter 2, included appeals to FLs of

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<sup>124</sup> Here, presumably, the (metaphorical) ‘ailment’ to be treated is <constrained resources> rather than the medical conditions of the patients whose treatments Pharmac assesses for funding.

<sup>125</sup> It is important to note that Riedner does not intend a pluralist conception of ‘inclusion’ here, rather that these discourses promise inclusion for those previously marginalised, such as the poor, women, people of colour, to the extent that they conform to its ideals: “General norms of inclusion are extended to those who can be depicted as entrepreneurial, independent, and self-sufficient” (Riedner 2015, 6). Those who do not (or cannot) conform are excluded, “neglected or easily forgotten”, or face “direct violence” (ibid, 11). In LCE terms, ‘inclusion’ represents a beatific fantasy of “recognition, [and] freedom” (ibid, xii) for those who appropriately ‘play the part’ of participant in globalised free markets.

<rationality>, <efficiency>, and <neutrality>, amongst others, as ‘saviours’ of a ‘failed’ interventionist mode of government.

In the narratives promoting reform, such government intervention was positioned as a fantasmatic ‘block’ preventing the success of the country. A ‘hands off’, free market approach was promoted as the solution, offering a beatific fantasy of economic growth, global commerce, and personal and economic freedom, fantasies that I suggest resonate with the “legacy of bitterness” (May 2013, 37) left when Britain, NZ’s ‘mother country’, joined the then-EEC in 1973. Previously, NZ had extremely close cultural and economic ties with Britain, a “cultural and economic subservience to British interests” (Spoonley et al. 2003, 29) manifested in Britain taking the bulk of NZ’s exports (Nixon and Yeabsley 2010) and

*[a] cultural umbilical cord ... reflected in the common reference to Britain as ‘home’, despite the fact that the person using such repertoires of connectedness might have been born in New Zealand and never visited Britain (Spoonley et al. 2003, 30)*

Afterwards, narratives of independence gained greater resonance in NZ as a reaction to the “dismay” (Nixon and Yeabsley 2010) felt at Britain’s breach of the former colonial ‘family’ metaphor (Birk and Neumann 2006). This fed into the interventionist government policies of the 1970s and early 1980s, against which the neoliberal reforms were proposed.

I suggest that by the time of the debate, over 20 years of mutual reinforcement and reproduction of these narratives naturalised and sedimented the reforms’ discourses. Thus they appeared self-evident, or ‘just common-sense’, to the debate’s participants. CBA’s hegemonic presentation offered a route to achieving the fantasies embedded in these narratives, and it resonated with these historical discourses, i.e., because CBA operates within a regime of calculative practices (Miller 2001), it activates a familiar mode of *jouissance*, generating a stronger affective response.

### 7.1.2.2 *‘It’s the economy, stupid’*

The public sector reforms of the 1980s and 1990s helped put the economy at the centre of public life and helped “establish [economic considerations] as legitimate and self-evident” (Miller 2001, 385). Lunt argues that this shifted the vocabulary of public policy discourse, muting other discourses and reducing their potential grip:

*Within this vocabulary, particular interests and values were difficult to express. It was not that welfare state, social justice and notions of community were in some way opposed or demonised within this language, but that these terms were incommensurable and **simply could not be spoken at all** (2008, 410-411, emphasis added)*

This dominance of economic discourses was evident in the debate, as with my fifth hegemonic characterisation of CBA as <about economics (and money)>. This links to the domination of ‘society’ by ‘economy’ noted in Chapter 2, whereby economic thought and language have come to dominate spheres previously governed by, for example, moral or humanitarian concerns. Such prioritisation of the economic has been described as “the subordination of moral and intellectual obligations to economic ones” (Ball and Olmedo 2013, 89).

How economic calculations “operate as an organizing rationale around which debates can take place” (Miller 2001, 386) helps explain the grip of CBA’s hegemonic presentation through its associated SL of <about economics (and money)>. Because <economics> is a privileged signifier in this discursive regime, elements like CBA associated with it can ‘borrow’ some of its power and persuasiveness (Lee 1992). Similarly, advocates employed economic language such as ‘investment’ in their arguments, attempting to persuade their audience that the people who would benefit from Herceptin were ‘worth it’. For more on this, see Section 7.3.2.

Riedner (2015) extends Lunt’s ‘vocabulary’ argument, arguing that, in the context of human-interest stories (a genre within which many items in my archive fall, see Section 7.3.4), the ‘interests and values’ that *are* able to be expressed ‘fit’ within a neo-liberal frame; i.e., those which

*appeal to neoliberal values of self-responsibility, tenacity, entrepreneurialism, and individualism ... orient[ing] readers to the values and authority of neoliberal markets, institutions, and nation-states (2015, 13)*

The history of CBA in Chapter 3 shows that it originally gained pre-eminence in public policy decision-making by being used to measure the economic effects of projects, then gradually broadened its scope to include other aspects, such as intangible costs or benefits, within a single metric. Thus, CBA enacts the subordination of diverse values to the economic. It collapses diversity into the singularity of economic value and enables its reproduction. In the language of economics, “value displaces values” (Peters 2001, in Ball and Olmedo 2013, 91). This can be read in (at least) two ways: first, that a single consideration replaces a plurality; and second, the single consideration displacing all others is specifically economic value. Both senses carry an implication of reduced avenues for contestation, as they narrow possibilities of dispute to a single dominant value, here economic value, as was evident in the debate (see Section 6.2.2.5). Marglin highlighted this issue some 50 years ago:

*The “efficiency” objective, or sometimes simply the “economic” objective, is contrasted with “political” and “social” objectives in terms (and tones) that leave little doubt as to **the second-class citizenship accorded to objectives other than the maximization of aggregate consumption** (1967, 37-38, emphasis added)*

An ‘economics’ vocabulary, predicated on logics of markets and competition, constructs people into the subject position of ‘consumer’, wherein they are regarded – and increasingly regard themselves – as an individual, or “autonomous, choosing, free self” (Peters 2001, 67). Arguably, this subject position operates “as the value, ideal, and objective underpinning and legitimating political activity ... [in] the political mentalities of the modern West” (ibid). Thus, a logic of consumerism helps explain CBA’s grip through resonances with prevailing FLs of <choice> and <individualism>.

The use of <efficiency> by opponents as a preferred means of allocating resources through a disinterested and <neutral>, hence <objective>, process (i.e. CBA) called on beatific fantasies of resources allocated to where they could achieve the most good (i.e. benefit). In these narratives, ‘politics’ was presented as the problem, or block preventing realisation of this fantasy, which, if continued, would result in an horrific future of waste, unmet need, and unfair resource allocation.

### **7.1.2.3 Chasing ‘what works’: valorising ‘evidence’ in public policy**

The characterisation of CBA as <dependent on expertise> offers another avenue for potential grip, one that resonates with the demand for ‘evidence-based’ policy (Oliver et al. 2014). In my coding, I found FLs of <evidence> and <scientific proof> were often closely linked with my sixth hegemonic characterisation of CBA as <dependent on expertise>. Characterising CBA as <objective and neutral> resonates with arguments advanced for employing CBA throughout the public sector in the US by the Green Book, USACE, and Reagan, and in NZ by Treasury, as well as the arguments for Pharmac’s founding, outlined in Chapter 2.

As Marston and Watts note, whilst “[t]here is nothing particularly novel – or contentious – about the idea that policy should be based on evidence, ... what can properly count as evidence in policy-making *is* contentious” (2003, 145, original emphasis). They argue that despite a claimed openness to diverse sources of evidence, in practice an evidence “hierarchy” has developed, privileging “research and statistics, policy evaluation, economic modelling, and expert knowledge” over others, such as service user inputs or public consultation, and informal or “lay forms” of knowledge (ibid). In other words, what is considered acceptable ‘evidence’ “privileges ‘concrete factual realism’ over ‘argument and acceptance’” (Sullivan 2011, 507, quoting Hood & Jackson, 1991), and, notably, <quantitative> approaches over qualitative (see also Section 7.1.2.4). As a form of ‘economic modelling’, CBA sits high in the hierarchy of ‘acceptable’ evidence which,

assisted by its hegemonic characterisations as <quantitative> and <factual>, helps explain its grip.

The demand for <evidence> may arise from a desire to support claims of <efficiency>, an often-cited preferred means of resource allocation, which pushes decision-making in a more technocratic direction, or towards the role of <answer machine>, as <efficiency> becomes a matter of technical calculation with pre-determined ends, and decisions concern which option to choose, not what ends to pursue. CBA promises an appropriate way to choose, in its hegemonic presentation as <objective and neutral> and <factual>, offering beatific fantasies of ‘correct’ choices and <efficient> outcomes.

The history of CBA contains many instances of the SLs’ <numbers as objective> and <factual> supporting arguments promoting its use (see Chapter 3), consistent with fantasmatic calls to <rationality> – that Enlightenment ideal (or beatific fantasy) of dispassionate and considered rule by means of reason, logic, and thought. In a regime of <rationality>, any demand for ‘non-objective’ or ‘non-neutral’ criteria in decision-making represents a threat (accompanied by horrific fantasy) that must be adequately addressed (by suppression or absorption) to prevent its mobilisation into a counter-hegemonic project. An example of addressing a demand challenging CBA methodology through absorption was US water project prioritisation adding a requirement to account for intangibles in order to include environmental values (Porter 1995, 184-185).

The resonance of <objectivity and neutrality> with demands for <evidence> is also reflected in Pharmac’s status as an independent, autonomous agency outside the day-to-day control of its Minister. This may have been intended to reduce the state’s role and to promote market mechanisms in healthcare funding (see Chapter 2), but it also pushes decision-making in a more technical, expert-led direction, by passing responsibility for decision-making to independent <experts>. This was arguably an intended consequence, given the discourses of impartiality informing its inception – ones that opponents continued in their defences of CBA.

The demand that policy be based on evidence can be regarded as a fantasmatic call to a logic of “scientism”, or “the conviction that science is not just *a* form of knowledge, but *the only* form of knowledge” (Glynos and Howarth 2007, 210, citing Habermas 1978, original emphasis), with “the quest for knowledge serv[ing] only an empirical and instrumental interest” (ibid). Here, the ends of intervention become divorced from the means, which need external, observable <evidence>, obtained from <experts>, to validate or prove their substance. To ‘make

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sense’ in such a logic, <evidence> should conform to a science ideal (or beatific fantasy) of <objective and neutral> observations employed in a “purely technical and problem solving exercise” (Glynos and Howarth 2007, 9) to identify the best means to a given end. Thus ‘evidence-based policy’ can remove politics and contestation from decision-making, as discussed in Section 7.1.2.5.

Yet, despite the claims that <expertise> is necessary to attain <objectivity>, Porter argues that this too is a construction:

*[T]he language of pure and applied science suggests that quantitative professionals pursue rigor and objectivity except so far as political pressures force them to compromise their ideals. **But this is exactly wrong. Objectivity derives its impetus, and also its shape and meaning, from cultural, including political, contexts** (1995, 90, emphasis added)*

In other words, <objectivity> is valorised within a culture prior to demanding expertise that ensures it. I suggest that this plays a part in CBA’s grip – if science is regarded ‘the only form of knowledge’, and is understood to be <objective> (and associated with numbers, see Section 7.1.2.4), CBA can be represented as ‘scientific’, thereby ‘borrowing’ some of science’s resonance and grip.

There are several potential reasons for the desire for <objective> <evidence> being closely linked to the hegemonic characterisation of CBA as <dependent on expertise>. First, CBA is characterised as <quantitative> – numbers are seen as ‘hard’ (Paulos 1990) and so need specialised skills to master (see Section 7.1.2.4). Second, the need to measure CBA’s inputs and the associated technical difficulties (see Chapter 3) suggests a need for, even dependence on, <expertise>. Third, as discussed above, <expertise> promises that <evidence> generated will be <factual>, since experts can get closer than others to the ‘real’ number: “I would not say it is a guess, [...], it is an estimate” (USACE testimony re measuring benefits, quoted in Porter 1995, 179). Fourth, <expertise> is often regarded as promising <objectivity> and <neutrality>. In LCE terms, this represents a beatific closure of the uncertainty of decision-making, derived from the SL that experts sit outside the political sphere and are professionally bound<sup>126</sup> to remain <neutral>:

*We try to be neither proponents nor opponents, but merely the consultants of Congress with no axes to grind, trying to give you the figures as best we know how (USACE testimony at a 1946 Senate hearing, quoted in Porter 1995, 165)*

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<sup>126</sup> That is, there is a subject position of ‘expert’ interpellated with SLs of <neutrality> and <objectivity>, getting as near to truth as they can and offering a fantasy of certainty (or at least reduced uncertainty) and a more manageable future. In other words, <objectivity> arises from <expertise> as an attempted closure that “names a set of strategies for dealing with distance and distrust” (Porter 1995, 9).

Another reason for CBA being characterised as <dependent on expertise> is its characterisation as <about economics (and money)>. These form specialised areas of knowledge seen as needing <expertise> to understand. In addition, they share CBA’s characterisation as <quantitative>, which, as I discuss next, offers other opportunities for grip.

### 7.1.2.4 *The power of numbers*

Quantitative information is unusually convincing: “what is counted usually counts” (Miller 2001, 282). But why numbers should be so persuasive<sup>127</sup> is a key question of this thesis (and many other critical studies on accounting). I argue here that the persuasiveness of its <quantitative> presentation is a key source of CBA’s grip.

Accounting’s “calculative practices”, like CBA, have the “ability to translate diverse and complex processes into a *single*<sup>128</sup> *financial figure*” (Miller 2001, 381, original emphasis). This ability is exploited to “absorb” uncertainty (Burchell et al. 1980, 15) and to make what was ambiguous (appear) concrete. Hence CBA is employed to ‘absorb’ the uncertainty of an unknowable future and make it seem more certain, a fantasmatic closure that I suggest contributes strongly to its grip. Furthermore, CBA offers a means of reducing the complexity involved in ‘wicked’ policy problems like healthcare by offering a beatific closure that they can be ‘tamed’ and made manageable. However, in reducing complexity, CBA also removes, excludes, or assumes away many reasons why that complexity exists: it changes the problem it is being asked to ‘solve’. In their now-classic paper ‘Judgement Under Uncertainty’, psychologists Tversky and Kahneman (1975) argue that in uncertain conditions, such as making probabilistic predictions, people tend to use heuristics to simplify their processing. Frequently this means (unconsciously) substituting and answering an easier question than the original one (Kahneman 2011). Thus, by transforming ‘wicked’ policy problems into numbers, CBA can rank and select options, and thus allocate resources based on a simpler – or at least more straightforward – question of highest CBA, rather than addressing the (much) harder questions of what social objectives should be or how best to achieve them. Also, by being expressed in economic language, CBA substitutes the many values that could or should prevail in different views on the original ‘problem’ with the single value of <economic efficiency>.

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<sup>127</sup> For example, I recently heard a conference speaker note as an aside that ‘47%’ seemed much more convincing than ‘about half’.

<sup>128</sup> CEA and CUA instead collapse these into two figures, one financial and one not (e.g. cost/QALY), as described in Chapter 3. However, both are expressed numerically and the overall simplification effect on ‘diverse and complex practices’ remains similar.

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### Absorbing uncertainty

Numbers ‘absorb’ uncertainty in several ways. First, they are “widely” regarded as <objective and neutral>, “set[ting them] apart from political interests and disputes, above the world of intrigue, and beyond debate” (Miller 2001, 382). Second, numbers are associated with the ‘hard’ sciences and with <objectivity>, which Porter (1995) argues is a key part of their power. This association promotes a particular “elusive and unattainable ideal” of ‘truth’ “in the form of laws and reliable empirical generalizations” (Glynos and Howarth 2007, 2) making the world “subject to calculation and regulation” (Sullivan 2011, 502).

This can be linked to the simplification of complex issues that numbers can achieve. Estimation is used to absorb uncertainty by narrowing the range of possible values to the ‘fact’ of a final figure. In the debate, participants drew on this quality of numbers to offer a fantasy of <experts> able to calculate (or at least closely approximate) the <‘true cost’> of Herceptin. CBA was often framed as an <answer machine> and its <quantitative> presentation helped ‘black box’ its calculation, reducing the possibility of debate and contestation of this element, potentially due to perceptions of numbers as intimidating, as I discuss next.

### Intimidating

Whilst numbers are characterised as ‘true’ (<factual>), they are also regarded as slightly scary and mysterious by many, some of whom take a “perverse pride in mathematical ignorance”, laughing off a lack of skill with numbers that they would find shameful were they similarly inept with words (Paulos 1990, ix-x). Consequently, numbers are often perceived as intimidating: many people experience ‘math anxiety’, misunderstanding and being fearful of numbers, especially statistics and probabilities (Paulos 1990) – two key inputs to CBA. This potentially contributes to the hegemonic characterisation of CBA as <factual>. Its <quantitative> and <factual> presentations in the debate made it harder to meaningfully challenge what was perceived as impenetrable or simply uninteresting. Being presented in numbers, often regarded as difficult, technical, or boring, makes CBA (further) <dependent on expertise> and so harder for ‘laypeople’ to challenge in detail. This is not because these numbers *cannot* be challenged – advocates did to some extent challenge Pharmac’s calculations and weightings, especially of Herceptin’s benefit<sup>129</sup> (see Section 7.3.6) – but the combination of numbers being regarded as <factual> and technically specialised (i.e. a matter for <experts> alone) made it hard for advocates to present convincing arguments at this level, especially as none were identified within

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<sup>129</sup> See also Chapter 3 for more general challenges to CBA’s calculation.



in my sample as having the requisite <expertise> as economists or accountants. This may be why contestation of Herceptin’s cost was limited to arguments of its total – ‘it will cost \$x million’ against ‘it will cost \$y million’, or simply ‘no it won’t’.

This reluctance to challenge numbers, especially in detail, is common in the mass media, where the Herceptin debate largely played out. Koetsenruijter (2011) found numbers make news reports *more* persuasive to readers, suggesting numbers gain greater credence precisely because they are not well understood. The reasons for this are complex. They include the reasons given above, but also potentially others, including media SLs (see Section 7.3.4), and the SL of numbers as <factual> but boring (or hard) – “(num)(ber) is automatically read as (numb)(er)” (Paulos 1990, xi) – making fantasmatic calls to <evidence> and science.

### 7.1.2.5 *De-politicisation*

De-politicisation has been characterised as a “central tool” in the “neoliberal transformation of the social” (Lazzarato 2009, in Ball and Olmedo 2013, 90). In this sub-section, I argue that the hegemonic presentation of CBA helps (re)produce that de-politicisation by framing resource allocation decisions as “matters of technical efficiency rather than normative choices” (Clarke 2012, 298) and so amenable to technique rather than politics. By presenting complex, hard-to-measure, and contentious options in a <quantitative>, <economic> form CBA creates an orderly and (illusory) <factuality> from a messy and unknown future, absorbing uncertainty and producing comfort.

CBA’s hegemonic characterisations produce sedimented closures of meaning that absorb uncertainty and reproduce values of neo-liberalism, for

*... despite its ideological saturation, contemporary neo-liberalism ... disavows its political nature in a number of ways ... most notably, by reframing political issues in economic terms (Clarke 2012, 298)*

Thus, de-politicisation is part of the surface of emergence of the debate. Discourses that resonate with it possess more grip. CBA’s <answer machine> characterisation (outlined in Chapter 6) resonates with this ‘reframing’ as it brackets normative choices through the ‘black box’ of <quantitative> calculation. Furthermore, as this role applies in situations of low uncertainty of both objectives and cause and effect, it enacts this de-politicisation and frames resource allocation decisions as low/low uncertainty situations. In other words, using CBA takes the ends of these decisions for granted (low uncertainty of objectives) and presents solutions as following some sort of ‘law’ (low uncertainty of cause and effect), thereby reducing avenues for debate and contestation. One reason why such de-politicisation is hard to contest is the fantasmatic resonance of <efficiency> in neo-liberal discourses, for as Marglin says,

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*[t]he labels “efficiency” and “economic” are especially unfortunate, for we are all against waste, and to emphasize “non-efficiency” or “non-economic” objectives sounds dangerously like favouring inefficiency and boondoggling (1967, 38)*

The elements I described as contributing to CBA’s grip also contribute to its de-politicisation, so I consider two of these next, beginning with <quantitative>.

### Quantitative presentation: ‘trust in numbers’

CBA’s <quantitative> presentation helps it draw on the FLs of <objective and neutral> and <factual>, for the reasons suggested above. This lends CBA the ‘magic’ (Paulos 1990) and ‘power’ (Porter 1995) of numbers as difficult to challenge, partly due to their appearance as <factual> and perceptions of being ‘difficult’, or amenable only to those with <expertise>. These aspects, separately and in combination, of CBA’s hegemonic characterisation make its <quantitative> characterisation especially difficult to challenge. The historic resonances noted in Section 7.1.2.4 also apply to the de-politicising effects and fantasies of CBA’s <quantitative> presentation. Two notable aspects of the debate were the minimal contestation of Pharmac’s cost estimates and its calculation, and the frequent use of specific dollar amounts (e.g. \$25m p.a. (M051)), often uncritically repeated in media reports.

Numbers “offer ... the promise that the subjective element of decision-making could be curtailed, if not eliminated” (Miller 2001, 389) and “[CEA]’s roots in engineering and operations management have always held the allure that investments in health care could be treated as an optimization problem” (Neumann 2004, 108). In other words, numbers offer a beatific fantasy of removing subjectivity and politics from these difficult decisions, making them into <objective and neutral> ‘optimisation problems’, which can be solved by an <answer machine>. <Objective and neutral> is, of course, a virtual definition of ‘non-political’, and so anything that aims toward this also aims at de-politicisation.

Similarly, associations between the hegemonic characterisations of CBA as <quantitative>, <dependent on expertise>, and <factual> also feed into <objectivity and neutrality>, for the reasons given above. This works to further de-politicise it by making CBA’s numbers even harder to challenge. For example, Ball and Olmedo quote their participant “Walter” on the “‘beguiling but harmful’ practices” of ‘scoring’ teacher performance: these scores provide “**reassuring** spread sheets of data and hard evidence” for regulators, but few opportunities to resist or contest them by the teachers graded, who found the experience “demoralising, depressing, frustrating and very stressful” (2013, 89, emphasis added).

### Expertise

*[O]ne of the most successful ruses of neoliberal dominance in both global and domestic affairs is the definition of economic policy as primarily a matter of neutral, technical expertise (Duggan 2004, xiv, in Riedner 2015, 99)*

That CBA as practiced depends on the <expertise> of welfare economists contributes to its de-politicising effects in “mak[ing] the abstract concepts of economic theory operable” (Miller 2001, 394). By aggregating diverse considerations into ‘overall utility’, CBA helps to make real the primacy of economic value:

*The problem is that the assumptions of most models of welfare economics preclude consideration of dimensions of welfare other than the size and distribution of consumption; moreover, the institutional bars to the attainment of desirable distributions of consumption are ignored (Marglin 1967, 37-38)*

The linking of SLs of <about economics (and money)>, <dependent on expertise>, and <quantitative> in CBA’s hegemonic characterisation offers a beatific fantasy of a non-political means of resolving difficult resource allocation decisions, achieved by framing these as technical issues, absorbing their uncertainty into the numbers produced by technical experts. In other words, framing resource allocation decisions as a technical ‘problem’ also frames the solution as technical, for

*the formulation of the problem ... sets the terms of the debate, and the range of possible ... solutions (Glynos and Howarth 2007, 174)*

‘Utility’ gives the appearance of having included other values: for example, Pharmac argued regarding CBA’s <exclusion of economic ‘externalities’>, that “[r]elevant concerns raised in consultation submissions have been either included in the model or tested in the sensitivity analyses” (P007, p. 25). However, without the relevant <expertise> to unpick these, it is difficult for outsiders to coherently challenge the ‘fact’ of CBA’s measurement. This occurred in the debate – advocates challenged the sum given by Pharmac of Herceptin’s cost-per-QALY, but not its characterisation **as** <factual>, nor did they engage in much more than a superficial contestation of its calculation (see Chapter 6).

The link made in CBA’s hegemonic contestation between <dependent on expertise>, <objective and neutral>, and <factual> also helps de-politicise its operation: the “apparently pragmatic emphasis on ‘what works’ [seeks to] secure a consensus” (Sullivan 2011, 502) closing down possibilities for contestation and debate. Rather,

*decisions would no longer be guided, it was hoped, by impulse or subjective considerations, but would be based on a rigorous and calculable ... rationale (Miller 2001, 388)*

This opposition of ‘rigorous and calculable’ to ‘subjective’ thus sets up a LoE where the <objectivity> found in calculation (i.e. a <quantitative> SL) is equated to ‘rigour’, drawing again on Glynos and Howarth’s (2007) logic of scientism and its resonances with neo-liberal values in a way that further de-politicises CBA:

*In neoliberal rhetoric, economic expertise is seen as separate from political and cultural matters, not subject to political debate or cultural critique ... It is a somewhat boring, technical expertise that is seen as the province of highly trained professionals<sup>130</sup>. The propitious effect of this ruse for neoliberal political economics is to bracket off the monopoly of technical expertise on political economy from culture, politics, and public debate (Riedner 2015, 99)*

In summary, the hegemonic characterisation of CBA enacts neo-liberalism’s underpinning ideology and reproduces it through its practice. Yet there were instances when participants’ responses to its dislocation were less sedimented and more political, and so I turn to these next.

### 7.2 Defences of CBA: the importance of making rational decisions

Many arguments defending CBA (see Section 6.2.3) echoed those canvassed in Chapter 3, Section 3.1.2 on ‘Why Use CBA?’, so I do not repeat these in depth here. Rather I examine how some fantasmatic closures in these arguments shed light on CBA’s grip.

#### 7.2.1 ‘NZ is an egalitarian society’: part 1

In Chapter 6, I identified a logic of <fairness> in both opponents’ and advocates’ narratives. Here I discuss logics enrolled by opponents in the narratives described in Section 6.2.3.2. New Zealanders typically regard their country as egalitarian (Nolan 2007) and I argue this reinforced the fantasmatic appeal of <fairness> in participants’ narratives. Opponents and advocates differed on to whom <fairness> was owed (see Section 7.3.3). Opponents defending the use of CBA attempted to close the meaning of CBA as <fairness> to others and <fairness> of process, drawing on the resonances of FLs of <rationality> and <economic efficiency> (see Sections 7.1.2.1 & 7.1.2.2) as well as this <national character> FL. They presented <fairness> to others as being <fair> to the whole population, articulating this with <constrained resources> and <cost-effectiveness>, as in Pharmac’s LoE equating paying Herceptin’s (high) cost with others missing out. Pharmac coupled its opposition to any diminishment of CBA’s <objectivity and neutrality> with a denial of <political salience> as a decision criterion, and presented a horrific fantasy of others suffering:

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<sup>130</sup> i.e. *experts*.

*If they fund Herceptin there will be a whole lot of other drugs that don't get to square one. There will be a lot of people who miss out (Associate Professor Vernon Harvey, quoted in M003)*

Opponents also called on a FL of <'true cost'> to highlight that the 'opportunity cost' would be borne by others as part of the <'true cost'> of Herceptin.

As a moral virtue, <fairness> exerts an emotional pull but it was employed by opponents as a further means of de-politicising CBA. Opponents' underpinning assumption that <fairness> equated to aggregate utility (i.e. a LoE), reflected the influence of welfare economists in CBA's development and in NZ's Treasury (see Chapters 2 and 3).

The contestation over to whom <fairness> was owed reactivated earlier debates on universal public provision: (the 'old' model) against means-tested targeting (the 'new model') (see Chapter 2), reflecting

*... a redefinition of the role of the Government in the economy and society [...] based on the principle of abandoning universal provision of services to all citizens regardless of need, in favor of targeting social services on those in need (Scott 1996, 9)*

Interestingly, both opponents and advocates drew on both 'sides' of the LoE opposing universality of targeting in this earlier debate. Opponents defended CBA as a means of targeting funding on treatments with greatest benefit (a proxy for greatest need – see Chapter 3 for critiques of this), but also as a way of ensuring that everyone's (or at least a wider group's)<sup>131</sup> needs could be met. Advocates, meanwhile, called for a specific group to be targeted on the grounds of need, framing this in terms of the 'cradle-to-grave' welfare state (see Section 7.3.3).

Another defence of CBA's <fairness> by opponents was that it treats all prospective treatments alike. This resonated with the hegemonic characterisation of CBA as <objective and neutral>, discourses of increasingly technocratic governance (see Chapter 2), and discourses of <evidence> and <expertise> with which <objective and neutral> were strongly linked. The claim for CBA's <fairness> of process arising from its hegemonic characterisation as <objective and neutral> has historical resonance: for example, Porter paraphrases USACE testimony on CBA's <fairness> of process to a US Senate committee thus:

*The Corps pursues a just mean in its economic analyses, and it must be succeeding, since it generates antagonism on both sides (1995, 165)*

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<sup>131</sup> Whilst the latter is not an exact synonym for 'universal provision', I argue that there is some resonance here in the call to a discursively more communitarian history allied to the fantasy of universal provision.

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This offers a beatific fantasy of the <expert>’s <neutrality> (and superior technical skill) ‘blocking’ a horrific fantasy of unlimited need swamping <constrained resources> and partisan interests leading to ‘wasteful’ spending through inefficient resource allocations.

A third defence of CBA based in <fairness> was linked with its hegemonic characterisation as <excluding economic ‘externalities’>. In Chapter 6, I suggested that, consistent with the boundary critiques in Chapter 3, opponents and advocates alike agreed that CBA <excludes economic ‘externalities’>, but disagreed whether this was appropriate. Opponents tended to argue that it was, drawing on FLs of <fairness> and <efficiency>. Possibly due to the influence of welfare economics in CBA’s mid-20<sup>th</sup> century development, opponents regarded <efficiency> as synonymous with <fairness> (to others), as it represents the most ‘bang-for-buck’ from a finite spend (see Section 3.1.1). Most welfare economists subscribe to the Kaldor-Hicks efficiency criterion<sup>132</sup>, under which **aggregate** or total utility is the relevant measure, not individual <fairness> (Persky 2001). In addition, Pharmac must consider and evaluate thousands of treatments within its overall spend, as it has a capped budget and is statutorily bound to seek <efficiency> in resource allocation (*New Zealand Public Health and Disability Act* 2000). Thus, opponents again invoke a horrific fantasy of unlimited need overwhelming <constrained resources>, as well as CBA being a fantasmatic obstacle to a horrific fantasy of inefficient resource allocation based on non-<factual> criteria.

Whilst not explicitly mentioned by opponents, narratives of CBA <excluding economic ‘externalities’> draw on the difficulties of measuring ‘externalities’ as discussed in Chapter 3. If included, these would undermine the SL of <numbers as objective>, diminishing the <factuality> of CBA’s calculations. Excluding these protects CBA’s hegemonic characterisation as <objective and neutral>. Consequently, <excluding economic ‘externalities’> from CBA reinforces its hegemonic characterisation as <factual>, diminishing opportunities for political challenge, and offering another avenue for de-politicisation.

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<sup>132</sup> This is the point where those made better off by an intervention could compensate those made worse off and still result in an overall benefit, but there is no requirement or expectation that they do so (cf. Pareto efficiency, where at least one party is better off, but none is worse off) (Persky 2001).

### 7.2.2 An impartial arbiter: CBA as <objective and neutral>

*Where subjectivity and intuition once reigned, the calculative practices of accounting were to impose objectivity and neutrality (Miller 2001, 388)*

Opponents also defended CBA with appeals to its hegemonic characterisation as <objective>, which resonated with FLs of <rationality> and <evidence> as discussed above. These defences echoed arguments made for it as <objective and neutral> (i.e. a logic of <rationality>) in earlier debates advocating its use in public policy decision-making, as outlined in Chapter 3. This suppressed a role for ‘emotion’ in decisions, valorising impersonal, technical assessment and resonating with SLs of <scientific\_evidence\_proof>, <evidence>, and <quantitative> calculation. Also, Pharmac’s statutory independence resonated with an association with <neutrality>. These narratives offered a horrific fantasy of spending driven by ‘the squeaky wheel’, or public lobbying and emotive campaigning aimed at eliciting empathy, thereby denying any place for <political salience> in decision-making. This delegitimised such protests, offering another avenue for CBA’s de-politicisation. This has consequences for CBA’s democratic potential, as I discuss in Chapter 8.

This characterisation of CBA drew on the same horrific fantasies of unlimited need and ‘underdogs’ (the less politically salient) losing out as the <fairness> FL that I argued resonated with a <national character> FL and beatific fantasies of <efficient> and <rational> (and therefore publicly-defensible) decisions, reinforcing the hegemonic characterisation of CBA.

### 7.2.3 CBA is NOT decisive: Pharmac on the <learning machine> role of CBA

Chapter 6 described how opponents favoured presenting CBA as a <learning machine>. This was evident when Pharmac emphasised the uncertainty of the clinical <evidence> of Herceptin’s benefit. In public, Pharmac defended its measurement of Herceptin’s cost by calling it <factual> and not engaging with the (few) challenges to its calculation, preferring instead to point to insufficient <evidence> of its benefits. However, its CUAs (P016, P018, and their appendices) clearly laid out considerable variation in the estimates used to calculate Herceptin’s cost-per-QALY. It was a paradox of this debate that the most technical documents were the most open about and accepting of uncertainty and contingency. Why Pharmac recognised CBA’s contingency in ‘private’ but not in public (e.g. media statements) goes to the heart of my motivation for this study.

Pharmac’s insistence that it used <multiple criteria> for resource allocation can be linked to its role as ‘gatekeeper’ of NZ’s pharmaceutical spending – it must balance competing demands and be seen to be ‘playing fair’. By repeating the claim that CBA was only one of several criteria considered, Pharmac helped deflect or absorb criticisms of its CUA: if this was not the <decisive> factor, even arguments that succeeded against CBA could not invalidate its decisions against funding. Thus, these narratives worked to diffuse the responsibility for those decisions against advocates’ characterisation of CBA as an <answer machine>, protecting its use in Pharmac’s fantasmatic promise of maximum <economic efficiency>.

Nevertheless, Pharmac presented CBA as the **best** way to decide, even as it argued for it as only one of <multiple criteria>. By calling on SLs of <efficiency> and <constrained resources>, it conjured horrific fantasies of unlimited health demands exhausting available funds, leading to others suffering (see Section 7.2.1).

In presenting CBA as a <learning machine>, Pharmac defended its own <expertise> and authority by calling on FLs of <objectivity>, <neutrality> and <scientific evidence\_proof>. By offering a horrific fantasy of potentially catastrophic <side-effects> from Herceptin’s use, opponents sought to diminish the resonance of advocates’ beatific fantasy that treatment with Herceptin equalled <life>, by pointing to <evidence> of heart damage in clinical trials. That is, they drew on SLs of <scientific evidence\_proof> “regard[ing] randomised controlled trials as the ‘gold standard’ of evaluation” (Sullivan 2011, 508) and <expertise> to increase Herceptin’s <‘true cost’> and diminish the ‘call’ of the LoE advocates drew between Herceptin and <life>.

### 7.3 Contestation of CBA: are advocates making radical demands?

In this sub-section, I discuss the contestations of CBA outlined in Chapter 6 in terms of their FLs and resonances, arguing that these represented demands or attempts to effect change. Advocates both drew on<sup>133</sup> and attempted to subvert the hegemonic characterisation of CBA in their demands, so I also investigate whether these reinforce or diminish CBA’s grip.

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<sup>133</sup> I do not argue that advocates (or opponents) necessarily held a sincere belief in the hegemonic characterisations of CBA, only that they regarded them as persuasive to others. I do however argue that a strategic use of CBA still implies some form of grip on participants in that those using it believe in its efficacy *as* an argument – even if they are not persuaded themselves, they think others will be. Nevertheless, as Ball and Olmedo note, such arguments are most persuasive when internalised and sincerely held: “[...] performativity works best when we come to want for ourselves what is wanted from us, when our moral sense of our desires and ourselves are aligned with its pleasures” (2013, 89).



How can trying to make change reinforce grip? To answer this I turn to Glynos and Howarth (2007) and their model of how dislocations lead to demands, and the distinctions they draw between different demand types. They begin with a subject’s responses to the experience of contingency brought about by a dislocation (see Chapter 4). One response is to form a **grievance**:

*something that constitutes an issue for people, which can be expressed publicly as a request that is directed at the appropriate authority (Glynos and Howarth 2007, 115)*

A “satisfactory response” from the authority, with satisfaction determined by the requester, dissolves a grievance, “end[ing] the matter” (ibid). An unsatisfactory response, however, can lead to a request “hardening” into a **demand**, or insistence the authority take action addressing the grievance. Where demands “publicly challenge[...] the norm(s) of an institution or society”, they are said to be **political**. Political demands can be categorised as **radical**, **hegemonic**, or both **radical and hegemonic**. **Radical political demands** “publicly contest[...] a *fundamental* norm of a practice or regime” (ibid, , original emphasis), i.e., a norm on which the practice or regime depends<sup>134</sup>, whilst **hegemonic political demands** “successfully generaliz[e] [their] relevance to other institutions or practices” (ibid, 116), enrolling others to their cause. **Radical and hegemonic political demands** are (unsurprisingly) political demands that combine both aspects, i.e. challenging a constitutive norm and generalising this across other regimes and/or practices. Therefore, only radical political demands can challenge a hegemonic practice and only radical and hegemonic demands can challenge a regime. **Non-radical political demands**, whether hegemonic or not, publicly challenge norms, but not those constitutive of a practice or regime. This is illustrated in Figure 16 below. For clarity in distinguishing these different types, I refer to radical political demands as **radical demands** and non-radical political demands as **political demands**. Given my study is limited to a single case, I cannot analyse whether any demands I identify can be generalised to the extent of becoming hegemonic, and so I do not distinguish these. However, I suggest this as a potentially fruitful avenue for future research.

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<sup>134</sup> i.e. a norm without which a practice or regime would cease to ‘make sense’. For example, CBA would not make sense without the direct comparison of costs and benefits – remove this and CBA would no longer be CBA. By contrast, the norm of using Pharmac’s PFFA-mandated interest rate could be challenged, and the rate or method of recognising future costs and benefits altered, with no disruption to CBA’s recognisability *as* CBA.

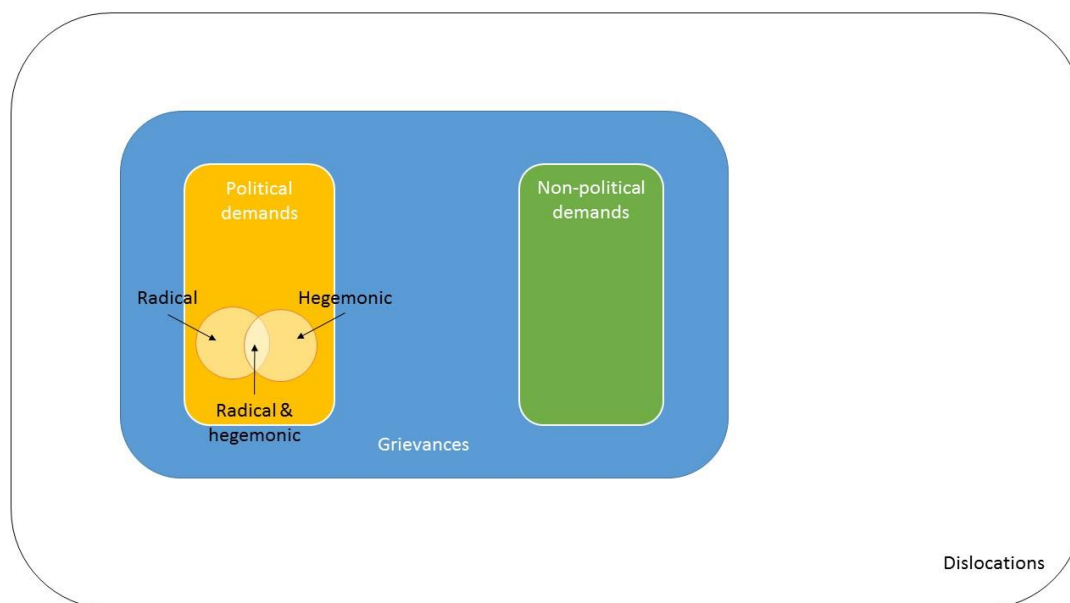


Figure 16: Relationship of demands to grievances and dislocations

As Figure 16 shows, not all dislocations generate grievances, and not all grievances become demands. Further, not all political demands are radical or hegemonic. Only a small sub-set becomes both, perhaps indicating the ‘inertia’ of social practices and regimes (see Glynos and Howarth 2007, and Chapter 4 for more on this).

Nevertheless, any political demand, whether hegemonic or not, is transgressive in challenging a norm, for it questions something taken-for-granted in that practice or regime. Such transgression *in itself* elicits *jouissance* (Glynos 2008b), offering a way for what looks like resistance to actually shore up a norm:

*In this [Lacanian] view, the social subject’s position is sustained by its jouissance, by its own form of transgression—a form of transgression or enjoyment whose paradoxical (but highly significant) effect is the maintenance, even buttressing, of the (potentially oppressive) order it transgresses. **Psychoanalytic theory therefore puts the lie to the idea that transgression is intrinsically subversive** (Glynos 2001, 210, non-italics original emphasis, bold added emphasis)*

Thus contesting a norm can reinforce *or* weaken it, depending on the mode of ‘transgressive’ *jouissance* elicited in the subject(s) involved and how this resonates (or not) with the discursive field of the contestation.

### 7.3.1 The autonomous self: <choice> and subjectivity

Advocates frequently drew on SLs of <choice> and <patient as consumer> to contest CBA’s <answer machine> role. These SLs are closely associated with neo-liberal discourses

of the value of free markets and <consumerism> and the subject position of ‘entrepreneurial self’, one understood as

*seeking to maximize its own powers, its own happiness, its own quality of life, through enhancing its autonomy and then instrumentalizing its autonomous choices in the service of its life-style (Rose 1998, 158)*

As discussed in Chapter 2, the SL <patient as consumer> developed alongside a growing ‘marketisation’ of the health service in NZ and a more generally consumer-oriented society. Thus, these logics support a broader neo-liberal political economy, wherein individuals are the relevant unit of concern and freedom of <choice> is a key value. Health becomes regarded as a consumer ‘product’ to be chosen and CBA’s <answer machine> characterisation frustrated the operation of that <choice>.

Advocates drew on a LoE of <life & death> to link Herceptin with a beatific fantasy of <life>, and a corresponding horrific fantasy wherein not receiving treatment was “a death sentence” (M105), seeking to evoke empathy in their audiences, especially as these narratives were often articulated with FLs of <family> and <motherhood> (see Section 7.3.5). This was a very successful LoE for advocates, and was maintained throughout the debate. They invoked a horrific fantasy of women dying<sup>135</sup>, leaving young children “growing up without their mother” (“Christchurch HER2 breast cancer sufferer” Mhairi Flett, quoted in M002), families bereft of “wives, mothers, sisters and grandmothers for the lack of Herceptin” (M053), and the economy losing productive workers, “somebody who is ... working, paying taxes, going to be a contributing member of society” (Stuart Knight, NZ S&M director, Roche Products, quoted in M003). The contrasting beatific fantasy offered in this narrative was of <life> and health, cured from cancer, and restored to families and workplaces. Opponents attempted to counter this narrative by, for example, highlighting a submitter’s comment to the second round of consultation that

*... whilst it is recognised that Herceptin has a definite benefit for HER2-positive women with early breast cancer, its effect can, at best, be described as returning their risk to that of women with HER2 **negative** early breast cancer (P007, p. 14, original emphasis)*

and repeating calls to SLs of <evidence> and <numbers as objective>, for example:

*the benefits in terms overall survival at 2-3 years is relatively small, with an absolute survival improvement of 1.8%-2.9% for patients treated with Herceptin compared with those treated with chemotherapy alone (without Herceptin) (P007, p. 17)*

In the advocates’ narrative that I termed ‘Pharmac as cancer’s collaborator’ (see Chapter 6), Herceptin was presented as a potential, sometimes actual cure – a beatific fantasy to which

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<sup>135</sup> Despite a 95.1% 2-year survival rate (77.4% disease-free 2-year survival) without Herceptin (HERA trial data, PHARMAC 2007c, 9).

Pharmac’s denial of public funding represented an obstacle to fulfilment. By refusing to aid HER2+ patients in their ‘fight’, Pharmac was thus presented as helping, or collaborating with, cancer. This narrative challenged Pharmac’s <measurement>, with advocates arguing the <specialness of BC> meant it warranted extra weighting in Pharmac’s model, drawing again on FLs of the <individual> and historic resonances of targeting resources to need. Also, by arguing that Pharmac made its decisions solely on cost, advocates fitted their narratives to those preferred by the media (see Chapter 2), including positioning their ‘battle’ as an ‘underdog’ fighting faceless bureaucracy (see Section 7.3.4). This mobilised the same fantasmatic resonance of health denied by lack of resources that helped pass the 1938 SSA and supported the 1983 health system changes. For advocates, the (perceived) dominance of cost over health in Pharmac’s CBA represented a frustration of <choice> and the promise of ‘cradle-to-grave’ care without reference to ability to pay, that had governed<sup>136</sup> the NZ health system from 1938 to 1983 (see Chapter 2).

By framing CBA as the sole reason for Pharmac’s decision, advocates drew on horrific fantasies of <death> and <cancer as ‘enemy’> to frame <cost as obstacle> to the fulfilment of beatific fantasies of <life>, cure, and health. Whilst horrific for most, for some advocates CBA’s <decisive>-ness operated as a beatific fantasy: if Pharmac could only get its calculations ‘right’, then CBA would produce the ‘right’ answer (i.e. funding Herceptin). This FL rests on the hegemonic characterisations of CBA outlined above, particularly CBA as <factual>.

### 7.3.2 ‘Our women are worth it’: making an <economic> argument for Herceptin

Advocates typically argued for <individual need> or <‘doctor knows best’> as their preferred resource allocation criterion, drawing on resonances with SLs of <individualism> and <expertise>, but also often raised economic concerns as an argument for funding Herceptin. For example, advocates complained that losing women from the workforce was a ‘cost’ (improperly) excluded from Pharmac’s CUA (e.g. M003), and they argued for Pharmac to ‘invest’ in those with the HER2+ form of breast cancer (e.g. M053). Surprisingly, those who argued against <economic efficiency> as a resource allocation criterion, also argued that ‘our women are worth it’ (M086), thereby presenting funding Herceptin, at least implicitly, as an <efficient> use of resources. Of course, there is no reason why advocates

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<sup>136</sup> This is not to claim that such care was actually provided (see Chapter 2 and Quin (2009) for more), only that this was its idealised (i.e. beatific) form.

(or opponents) should make logically consistent political demands – what matters is that their arguments possess heresthetic value (see Chapter 5) and are persuasive to their audience. However, this argument is puzzling when advocates argued so strongly against <cost as obstacle> and CBA’s <decisive>-ness, warranting further analysis.

One potential reason may be that advocates realised the strength of the SL of CBA as <about economics (and money)> and deliberately framed their argument to draw on its power and grip. Relatedly, they may simply have used a dominant vocabulary:

*Terms such as budgets, costs, return on investment, and so forth are no longer the preserve of the specialist. The calculative practices and language of accountancy have seeped into everyday life (Miller 2001, 391)*

Advocates may have used this ‘worth it’ argument as they live (and argue) in this same world of economic primacy as decision-makers, so their subjectivities are also shaped by these discourses: “our understanding of ourselves is linked to the ways in which we are governed” (Dean 2010, in Ball and Olmedo 2013, 87) and

*[e]ven when individuals seek to subvert or avoid the calculations made of them, their actions still take place in reference to an economic norm based on accounting numbers (Miller 2001, 393-394, emphasis added)*

Similarly, Lunt suggests that within neo-liberal regimes “it [is] solely individual and market concepts that [are] able to gain any purchase and expression” (2008, 411). Thus, advocates possibly framed their arguments, consciously or unconsciously, to draw on the ‘purchase’ of SLs of <individualism> and <economic logic>.

Yet, by focusing on women’s ‘value’, these arguments reproduce the dominant vocabulary and its

*demarcat[ions] between who and what is value-producing and therefore valuable (meaningful), and between who and what is not value-producing and therefore not valuable (Riedner 2015, 100)*

In framing women’s ‘worth’ in terms of their economic contribution (for more on other sources of ‘worth’ in advocates’ narratives, see Section 7.3.5), these narratives reproduce and reinforce the discursive hegemony of <about economics (and money)> as one of the “parameters to what may be spoken” (Lunt 2008, 405) in public policy debate. The implication of assuming these concerns can or should be accommodated by including them in CBA, whilst helping them gain visibility, is to reinforce CBA’s dominance and my first hegemonic characterisation as <expected>, and its characterisation as an <answer machine>, for it seemed the only way for a non-economic value to be recognised was to include it within CBA.

Whatever their reason(s), advocates made good use of <economic> logics, perhaps knowing the resonance of ‘value’ and playing on its double-meaning. Thus, whilst apparently transgressing

the grip of hegemonic CBA, advocates argued that Herceptin *was* economically <efficient> (‘worth it’). This argument contested a norm (the measurement of ‘worth’), but one that could be accommodated within CBA (e.g. by using a different calculus), making it a political demand but not a radical one, so helping to maintain the grip of CBA’s hegemonic characterisation.

### 7.3.3 ‘NZ is an egalitarian society’: part 2

Just as opponents defended CBA by appealing to <fairness> (see Section 7.2.2), so too advocates appealed to this FL to challenge it. However, as noted previously, they interpreted <fairness> differently: opponents appealed to an ‘overall’ <fairness> (see Section 7.2.1), whereas for advocates, <fairness> was owed to individuals. These arguments resonated with FLs of <individualism> and <consumerism> and the logics of health consumerism, whereby patients become consumers willing (and expected) to advocate for their own preferences (i.e. <choice>) and interests regarding treatment. These logics resonate with the ‘acceptable’ entrepreneurial subjects of neo-liberal discourses (Riedner 2015) and link to a beatific fantasy of an “autonomous, freely choosing self” (Peters 2001, 67), frustrated by what advocates represented as CBA’s <decisive>-ness and a horrific fantasy of denying an individual’s ‘right’ to choose. Together with the LoE equating Herceptin with <life>, this offered a horrific fantasy of the un-<fairness> of Pharmac’s decisions blocking an <individual>’s <choice> of continued <life>. This ‘block’ was presented as particularly horrific given the diminished <choice> already experienced by these people from their diagnosis and associated loss of their ‘autonomous self’<sup>137</sup>, i.e. they could no longer freely choose according to their desires, which was presented as a ‘double-whammy’ un-<fairness>.

As noted in Section 7.2.1, advocates called on the historical resonance and beatific fantasy of the ‘cradle-to-grave’ welfare state, but their claims of <unfair> denial of this are problematic, not least because a ‘drug tariff’ (similar to the current Pharmaceutical Schedule) existed from the earliest days of publicly-funded pharmaceutical benefits (McLintock 1966a): it has never been the case in NZ that you receive any treatment your doctor wishes without charge<sup>138</sup>. Yet this argument resonated with the post-war LoE equating the “conceptual edifice” of the welfare state with “progress” (Lunt 2008, 409) and promising a beatific fantasy of first-rate treatment for all without regard to ability to pay. Advocates drew on this ‘progressive’ history and fantasy in their arguments

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<sup>137</sup> Psychoanalytically speaking, loss of self represents a kind of death: in his later work Freud posited the existence of a ‘death drive’ “opposed to the life instincts, striv[ing] towards the reduction of tensions to zero-point” (Laplanche and Pontalis 1988, 97), that is, a drive towards self-annihilation to escape the conflicts and difficulties of life arising from the other drives (libido, self-preservation, and so forth) through reverting to an earlier (i.e. inanimate) stage.

<sup>138</sup> Most prescriptions had (and have) a patient co-payment.

for 12 months’ treatment after Pharmac funded a nine-week regimen from June 2007. For example, they characterised 12 months’ treatment as the “full” (M017) or “gold standard” treatment (A017), linking this with <scientific\_evidence\_proof>, and <fairness>. They protested that NZ, Mexico, and Turkey were the only OECD countries not funding 12 months’ treatment (M054), calling on a <national\_character> FL of who might be regarded as NZ’s ‘peers’ and a LoE of <international\_comparison>. By calling on the SL of <scientific\_evidence\_proof>, these arguments reinforced the hegemonic characterisation of CBA as <dependent\_on\_expertise> – albeit that of research scientists, rather than economists (see Section 7.3.6).

Other aspects of <fairness> to individuals include narratives of advocates linking the loss of consumer choices (e.g. mortgaging their homes or “experiencing a reduction in lifestyle” to pay for treatment (A003) due to Herceptin’s high cost (i.e. <cost\_as\_obstacle> linked to a beatific fantasy of unfettered <choice> and <consumerism>)). Another is BCAC’s own history. Its mission<sup>139</sup> reflects its sole focus on breast cancer and advocacy for those afflicted, so an individualist<sup>140</sup> focus for <fairness> is perhaps understandable. Furthermore, these narratives fitted well with the media trope of ‘individuals battling bureaucracy’ (see Section 7.3.4).

### 7.3.4 Human-interest stories: personal narratives and the media

*When these drugs become available, even at drug trial stage, such is the desperation of cancer sufferers to find that all elusive cure, the media interest alone can distort the drug’s actual ability and put enormous pressure on health funders, governments and individuals (M004)*

As noted in Section 7.1.2.2, many items in my archive can be considered ‘human-interest stories’, those that aim to evoke “awareness, concern, and compassion among ... readers” (Riedner 2015, 8). Advocates grounded many of their narratives in personal experience, which I suggest lent them a credibility and authority<sup>141</sup> that resonated more strongly, thereby eliciting stronger experiences of *jouissance*, in their audience(s) than Pharmac’s more abstract reasoning of overall utility. In part, this may be due to the affective response to (consciously) emotive stories:

*As a melodramatic genre, human-interest stories are short, everyday, familiar texts that **show readers how to act, feel, and participate in social life** ... When we read these stories, we respond to their affective intensity and align ourselves with their values (Riedner 2015, 13, emphasis added)*

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<sup>139</sup> “Breast Cancer Aotearoa Coalition will research, educate, support, promote informed choice, represent to relevant authorities, effectively advocate for and network, to optimise the detection, treatment and care of those affected by breast cancer in Aotearoa New Zealand” (BCAC 2008, 3)

<sup>140</sup> See Section 7.1.2.5 for the de-politicising implications of such an *individualist* focus.

<sup>141</sup> Cf. advocates’ relative lack of credibility in *economics and money* (Section 7.1.2.2).

## Chapter 7 – Explaining CBA’s Grip

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Emotive campaigning is effective, as it elicits sympathy and other conscious emotions and affect. Riedner argues that such stories encourage <individualism> through emotive identification, discouraging examination of systematic issues, and help sediment the values they express (ibid). I suggest that these narratives fed the SLs of media coverage of health (see Baggott 2015, 98, for a (non-exhaustive) list of what makes a health issue 'newsworthy').

To gain media coverage, participants must tailor their stories to 'fit' familiar media 'frames' (i.e. SLs), helping “new information to be compartmentalized into familiar categories” (High-Pippert 2005, 200), thereby reinforcing those categories and SLs. Elements in the debate that made it easier for advocates (and harder for opponents) to fit these frames included “a human interest aspect”, “ha[d] dramatic consequences, in particular, death”, and “involves sex/sexuality” (Baggott 2015, 98). Advocates’ use of personal interest stories may lie in their personal experience of breast cancer. For example, during the debate, all members of BCAC’s leadership committee were current or former breast cancer patients (see Chapter 2). This offers opportunities for identification with the “human interest” and “likely to provoke a strong emotional response” aspects that Baggott notes increases ‘newsworthiness’ (2015, 98).

These frames contribute to **individualisation** - another of Lazzarato’s ‘central tools’ of neo-liberalisation (2009, in Ball and Olmedo 2013, 90). Griggs and Howarth describe individualisation as “shifting responsibility for outcomes ... onto ... industry and citizens” (2013, 182), interpolating people into a subject position of self-interested individual and weakening more collective identities. In LCE terms, this forms a LoD, fragmenting publics into singular individuals. Moreover, “neo-liberal subjects have a hyper individualised expectation placed upon them to maximise returns on themselves” (Cooper 2015, 14), a subjectivity with links with health <consumerism> (see Section 7.3.3 and Chapter 2) that diminishes available avenues for promoting systemic change.

Advocates, especially BCAC, used the media skilfully, telling compelling stories of sympathetic individuals pitted against a heartless, faceless bureaucracy in

*a powerful and uncritical media campaign ... [where] the dominant narrative was of women being denied access to a potentially life-saving “wonder drug” by a heartless, bureaucratic agency because of cost (Manning 2014, 47)*

leading to the eventual funding of Herceptin in what Manning terms a “triumph of the Rule of Rescue” (ibid, 48), whereby imperilled lives are saved regardless of cost or effort, attributing this largely to BCAC’s individualistic and emotive narratives.

Whilst undeniably a key part of advocates’ eventually successful campaign to fund 12 months of Herceptin, there are issues with such heavy reliance on human-interest stories, including the



reinforcement of existing SLs noted earlier and, in my view more importantly, that “[a]ffective values are seen as constituting change in themselves” (Riedner 2015, 8). These stories encourage their audiences to believe that simply being moved (or outraged, or whatever emotion or affect is evoked) is enough, offering another route to the de-politicisation of public policy. I return to this in Chapter 8.

### 7.3.5 Performing femininity: measuring women’s ‘worth’

Consistent with the boundary critique presented in Chapter 3, advocates argued that Pharmac’s CBA omitted important ‘externalities’, such as the “the costs of ... younger<sup>142</sup> women dying, leaving children deprived of their mothers” (A003). Here, advocates mobilised FLs of <motherhood>, <family>, <life & death>, and <choice> to argue for these ‘externalities’ being formally recognised in decision-making, preferably through CBA, linking it with CBA’s hegemonic role as an <answer machine>. Advocates’ characterisation of CBA as <decisive> implied that its inclusion within CBA was the only way these values could have weight in Pharmac’s decisions (see also Section 7.3.2).

One aspect of women’s ‘worth’ advocates argued was missing from Pharmac’s CBA was founded not on <economics> and money, but on <motherhood> and <family>. Advocates drew on some of the boundary critiques of <excluding economic ‘externalities’> in the literature presented in Chapter 3 as well as various SLs of expected gender roles placing the value of women firmly within their relationship to others.

Breast cancer attracts significant media attention (Clarke and Everest 2006) and “women’s bodies ... make breast cancer newsworthy” (Saywell 2000, 38), perhaps because it affects those bodies<sup>143</sup> in an area “iconic both of female sexuality and maternity ... often the currency through which feminine value is attributed” (ibid, 39). In the narratives in my study, that value was attributed almost entirely from <motherhood>, perhaps due to what Eliasoph terms ‘mandatory Momism’ (1998, 183). In other words, to be heard in the mass media, women activists must represent themselves in the familiar, comfortable framing (i.e. media SL) of ‘Mom’ (more usually ‘Mum’ in NZ). “‘Mom’ is uncontroversial” (Eliasoph 1998, 248), and therefore sympathetic, eliciting empathy and affect. However, combined with the media logics (frames) noted in Section

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<sup>142</sup> i.e. under 50 years old (citing “recent research”) (A003).

<sup>143</sup> Despite the presentations in the debate, breast cancer does not only affect female bodies, for all mammals possess breast tissue that may become cancerous. My discussion here of ‘women’s worth’ in terms of femininity and (stereotypical) gender roles, is intended to reflect the presentations of the disease made by participants themselves in the debate. It is not intended to further dismiss, marginalise, or make invisible those of other genders who develop the disease, something that is already a regrettable consequence of the gendered discourse(s) around it.

7.3.4, ‘mandatory Momism’ presents women advocates with difficulties – they want their message to be heard but the easiest way to do so is to employ FLs of <motherhood> and <family> that reinforce stereotypical gender roles (i.e. SLs of gender performance). In this light, advocates’ narratives of ‘our women are worth it’, drawing on the SL of <about economics (and money)>, can be seen, not only as a reinforcement of <economics’> hegemonic SL and vocabulary (see Section 7.1.2.2) and the commodification of women’s bodies, but also as challenging or resisting these gender role SLs, by offering a beatific fantasy of women as workers as well as mothers. Similarly, advocates’ personal interest stories can be read in more than one way: whilst (usefully) fitting media SLs, they also challenge the <evidence> hierarchy noted by Sullivan (2011) by insisting on the relevance of ‘lay knowledge’ and bodily experience.

Both these narratives of women’s ‘worth’ drew on a FL of <‘true cost’> and a SL of CBA as an <answer machine> to offer a beatific fantasy that if the ‘right’ value were to be input to CBA, the resulting decision would be the ‘correct’ one. Again, this formed a political demand, contesting a norm that could be incorporated within CBA without changing its fundamentals.

### 7.3.6 A different expertise: <‘doctor knows best’>, or perhaps a scientist does?

A further contestation of CBA’s <decisive>-ness was evident in advocates’ mobilisation of the FL <‘doctor knows best’>, resonating with the historical power and authority of medical doctors (see Chapter 2) and challenging which experts are (most) important. This narrative substituted the <expertise> of medical professionals (<‘doctor knows best’>) for that of economists and accountants (<about economics (and money)>) in the hegemonic characterisation of CBA as <dependent on expertise>. Thus, it attempted to diminish the pull of the hegemonic characterisation as <about economics (and money)> by insisting that decisions take account of other <experts>. Advocates (correctly) judged this would have strong fantasmatic appeal for, as Scott acknowledges, “the reality [is] that it is medical professionals who finally decide what interventions to make” (1996, 102).

The resonance of this FL is linked to the power and authority of the medical profession and its past resistances to, for example, plans to centrally set capitation fees in 1938 (see Chapter 2), which prevented the full implementation of the 1938 SSA, and the total marketisation of the health system in the 1990s (see Chapter 2). The doctors’ professional authority taps into the FLs of <objectivity> and, to a lesser degree, <neutrality><sup>144</sup> often associated with

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<sup>144</sup> <Neutrality> is less resonant with this logic, since in an associated SL doctors are expected to advocate on behalf of their patients (see Chapter 2).

<expertise> (see Section 7.1.2.3). This de-politicised resource allocation as it still hands decisions to an ‘expert’, but it did challenge or diminish the ‘call’ of CBA’s <answer machine> role. Thus, this represented a political demand that challenged a norm of CBA as <dependent on expertise> of economists but retained the hegemonic characterisation as <dependent on expertise>, deferring resource allocation decisions to an <expert> authority figure. One implication of retaining an <expert> as the decision-maker is that it remains difficult for ‘laypeople’ to question, reducing its democratic potential, for as Fischer says,

*As a system of decision making geared toward expert knowledge, technocracy – liberal or conservative – necessarily blocks meaningful participation for the average citizen. Ultimately only those who can interpret the complex technical languages that increasingly frame economic and social issues have access to the play of power (Fischer 1990, 171-172)*

I return to this point in Chapter 8.

In a related challenge to CBA as <about economics (and money)> by appealing to the FL of <‘doctor knows best’>, advocates appealed to the authority of another form of medical <expertise>, namely research scientists, when they argued for the <scientific evidence\_proof> of Herceptin’s benefit to be more heavily weighted in Pharmac’s CUA:

*While PHARMAC have a difficult job in balancing pharmaco-economic benefits of treatment, we believe in this instance they have placed too little weight on compelling scientific evidence (A016, p. 3)*

Advocates used this FL in the narrative I termed ‘Pharmac as cancer’s collaborator’, to argue that Pharmac had underestimated Herceptin’s benefit (measured by doctors) because of its cost (measured by economists), strengthening their challenges to the <measurement> of Herceptin’s benefit compared to its cost. This may be in part attributable to Libby Burgess, the BCAC Chair (and frequent spokesperson) who was (and remains) a research scientist (BCAC n.d.-c), hence familiar with medical trial protocols and interpreting their results. In addition, BCAC describes its “mandate” as “to provide a unified evidence-based voice” for those with breast cancer in NZ (BCAC n.d.-b), resonating with SLs of <scientific evidence\_proof>, <numbers as objective> and <‘doctor knows best’>.

## 7.4 Summary and Conclusion

In this chapter, I set out to explain CBA’s grip in the Herceptin debate, addressing RQ4, by analysing the logics at play within it, focusing on FLs and their likely resonances with their audience(s). This focus was due to LCE’s link (see Chapter 4) between *jouissance* and grip: subjects experience greater grip from fantasies that evoke stronger embodied experiences of *jouissance*, for

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“fantasy’s primary aim is to *sustain* the subject’s desire by telling it *how* to desire” (Glynos 2001, 200, original emphasis).

I began my explanation in Section 1 by considering the lack(s) that debate participants were attempting to fill, identifying these as uncertainties inherent in deciding priorities for funding, how to achieve these, and how resources should be allocated. Then I moved to exploring some sources of CBA’s grip by analysing the logics associated with its hegemonic characterisation as <expected>, <quantitative>, <objective and neutral>, <factual>, <about economics (and money)>, and <dependent on expertise>.

My first source of CBA’s hegemonic characterisation’s grip was its sedimentation through reiteration and repeated practice during 20-plus years of constructing a ‘business-like’ public sector. CBA’s resonance with FLs of <rationality>, <efficiency>, and <neutrality> helped shape the practices giving effect to the “values of neoliberalism” (Riedner 2015, 20) underpinning public sector reforms in NZ in the 1980s and 1990s.

My second source of CBA’s hegemonic characterisation’s grip was the dominance of discourses in which ‘the economy’ forms a privileged signifier, enhancing the resonance of anything ‘economic’ and diminishing others. Here, I articulated CBA’s history with the debate’s ‘surface of emergence’ to argue that CBA, especially its characterisation as <about economics (and money)> resonates strongly with these discourses, enacting and reinforcing the collapse of diverse values into the singularity of economic value, and constructing people into a subject position of an individualist ‘consumer’, or “autonomous, choosing, free self” (Peters 2001, 67). This helps explain CBA’s grip through resonances with FLs of <choice> and <individualism>.

My third source of CBA’s hegemonic characterisation’s grip was its resonance with the demand for <evidence>-based policy. CBA resonated with this demand in several ways. First, its characterisation as <objective and neutral> resonated with the historical arguments made for its use, as well as the hierarchy of ‘acceptable’ evidence noted by Marston and Watts (2003). Further resonances include CBA’s characterisation as <quantitative>, <factual>, and <about economics (and money)>, giving it more opportunities for developing grip. I linked the demand for <evidence> to CBA’s <dependence on experts> through a logic of “scientism” (Glynos and Howarth 2007). This validates a proposal’s substance or ‘truth’ only through external, observable <evidence>, obtained from

<experts>. Thus, a FL of <expertise> also resonates with <factual>, another of CBA’s hegemonic characterisations.

My fourth source of CBA’s hegemonic characterisation’s grip was its <quantitative> presentation. This enabled CBA to ‘absorb’ the uncertainty of an unknown future, making it (appear) concrete, transforming a ‘wicked’ policy problem into an exercise in ranking <quantitative> CBAs. This fantasmatic closure contributed strongly to CBA’s grip. I argued further that numbers are typically regarded as <objective and neutral> and the province of <experts>, offering two further resonances helping explain its grip. Numbers are often seen as intimidating, which enhanced their grip, and by extension, CBA’s. Its resonances with FLs of <dependent on expertise> and <factual> made CBA harder to challenge.

My fifth source of CBA’s hegemonic characterisation’s grip was its resonance with and reproduction of de-politicisation. CBA presents complex, hard-to-measure, and contentious options in a <quantitative>, <economic> form, creating an orderly (and illusory) <factuality> from a messy and unknown future, absorbing uncertainty and producing comfort, hence *jouissance*. A key resonance was with the FL of <efficiency>, ‘black boxing’ normative choices around the ends to be achieved and framing resource allocation decisions as “matters of technical efficiency rather than normative choices” (Clarke 2012, 298), amenable to CBA’s <answer machine>. I also linked CBA’s <quantitative> and <dependent on expertise> characterisations to de-politicisation. These offer a beatific fantasy of removing subjectivity and politics from difficult decisions, transforming them into <objective and neutral> ‘optimisation problems’.

In Sections 2 and 3, I addressed RQ3 by analysing the debate’s main defences and contestations of CBA, suggesting that participants struggled to close their preferred meanings of CBA in ways that had not (yet) achieved sedimentation. In Section 2, I analysed the logics employed in defending CBA, beginning with its <fairness>. Opponents’ calls to a FL of <fairness> to others resonated with a FL of <national character> which regards NZ as egalitarian. By articulating this with FLs of <rationality>, <economic efficiency>, <constrained resources>, and <cost-effectiveness>, opponents offered a horrific fantasy of vulnerable groups suffering if Herceptin was funded for the (relatively) small number it could help. Opponents also defended CBA’s use by appealing to a FL of <fairness> of process, or treating all prospective treatments alike, which resonated with CBA’s hegemonic characterisation as <objective and neutral>, and historical justifications for its use, a FL of <evidence>, and a beatific fantasy of the <neutrality> of the <expert>

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‘blocking’ a horrific fantasy of unlimited need swamping available resources. A third defence calling to a FL of <fairness> linked with CBA’s <exclusion of economic ‘externalities’>. Opponents regarded this as appropriate, which I argued was due to a LoE equating <fairness> with <efficiency> as a resource allocation criterion, linked to the influence of welfare economists in CBA’s history and a horrific fantasy of inefficient resource allocation based on non-<factual> criteria.

Then I analysed the logics employed to defend CBA based on impartiality, specifically its characterisation as <objective and neutral>. A SL of <rationality> valorising impersonal, technical assessment created resonances with CBA’s characterisation as providing <scientific\_evidence\_proof> and <evidence> through its <quantitative> <factuality>. These narratives offered a horrific fantasy of ad-hoc spending driven by ‘squeaky wheel’ lobbying and emotive campaigning. This was ‘blocked’ by denying any role for ‘emotion’ or <political salience> in decision-making.

My final category of defences of CBA was opponents’ characterisation of it as a <learning machine>. Here I noted the paradox that Pharmac’s technical documents (P016, P018, and their appendices) were the most open to CBA’s contingency, in contrast to its ‘public’ characterisation as <factual>. Pharmac’s insistence of <multiple criteria> for resource allocation helped deflect or absorb criticisms of its CUA, protecting its beatific promise of achieving maximum <economic efficiency> from <constrained resources>, along with Pharmac’s own <expertise>, <objectivity>, and <neutrality>. In this characterisation, opponents also called on a FL of <scientific\_evidence\_proof> to offer a horrific fantasy of dire <side-effects>, including heart damage, to diminish the resonance of advocates’ LoE and the beatific fantasy of treatment with Herceptin equalling <life> to increase Herceptin’s <‘true cost’>.

In Section 3, I moved to analysing the contestations of CBA, arguing that these represented demands, or public insistence that something be addressed by an authority, in this case Pharmac. I defined a typology of demands based on LCE’s model of demand formation. These were: **non-political demands**, which do not challenge norm(s); non-radical political demand (**political demands**), which challenge non-essential norm(s); radical political demand (**radical demands**), which challenge fundamental norm(s); hegemonic political demands, which challenge non-essential norm(s) and link their demands to other areas; and radical and hegemonic political demands, which challenge fundamental norm(s) and link their demands to other areas (Glynos and Howarth 2007). Political and radical demands therefore challenge the norm(s) of a practice or

regime, a transgression eliciting *jouissance* that, depending on its mode and resonance(s) with other logics or discourse(s), reinforces or weakens (or both) one or more of these.

Using this typology, I then considered six areas of contestation in the debate, beginning with denial of <choice>. Advocates drew strongly on SLs of <choice> and <patient as consumer> to contest CBA’s use as an <answer machine>, drawing on resonances with the discourses of neo-liberal reforms in NZ and their valorisation of <choice>. In these narratives, I suggested, CBA as an <answer machine> offered a fantasmatic block to a beatific fantasy of ‘choosing’ health as another consumer product. Drawing on a LoE of <life & death>, advocates linked Herceptin with a beatific fantasy of <life>, and not receiving Herceptin with a horrific fantasy of <death> and loss. Similarly, <cost as obstacle> represented a fantasmatic block to a patients’ <choice> of treatment and beatific fantasmatic resonances of ‘cradle-to-grave’ healthcare promised in the debate’s genealogy. Finally, whilst typically horrific, CBA as <decisive> and <answer machine> also held beatific potential as capable of generating the ‘right’ answer if inputs were ‘correct’.

Then I analysed advocates’ <economic> contestations of CBA, arguing that these reflected and reinforced the dominance of <economic logic> and discourses. These drew on the resonance and grip of CBA’s hegemonic characterisation as <about economics (and money)> to frame their arguments in similar terms, helping them gain visibility, but supporting its characterisation as <expected>.

After this I returned to <fairness>, this time in advocates’ narratives, arguing that whilst opponents concentrated on <fairness> to others, advocates focused on <fairness> to <individuals>. I again explained this in terms of its resonance with neo-liberal discourses and FLs of <individualism> and <consumerism>, and CBA’s <decisive>-ness blocking a beatific fantasy of an ‘autonomous self’s’ right to choose, a ‘right’ already diminished by a cancer diagnosis. Advocates again drew on the historical resonance of ‘cradle-to-grave’ welfare to demand a ‘full’ 12 months’ treatment, ‘proven’ by <experts>. A second call to <fairness> was in advocates’ LoE of <international comparison>, with implicit claims that the only other OECD not funding Herceptin were two not normally considered NZ’s peers – Mexico and Turkey.

My third sub-section on contestations, analysed media logics in the debate, focusing on its SL of ‘human-interest’ stories, those that aim to evoke “awareness, concern, and compassion among ... readers” (Riedner 2015, 8). I argue that the <individual> voices of advocates telling personal

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stories elicited greater experiences of *jouissance* in their audiences than opponents’ FLs of <rationality>, <objectivity and neutrality>. In fitting their narratives to the SLs of media coverage, advocates increased their cause’s visibility and effectiveness, eliciting affective responses, including sympathy, and generated support. However, this reinforced existing SLs of <individualism> and <consumerism>, and a fragmentary LoD that discouraged examination of systemic issues, offering another means of de-politicisation.

My fourth sub-section continued an analysis of ‘women’s worth’ that advocates argued had been omitted from Pharmac’s CUA as <economic ‘externalities’>, linking this with media and other SLs of gender roles, that valued women in terms of their relationship to others, particularly <motherhood>. This positioning perhaps arose from ‘mandatory Momism’ (Eliasoph 1998), a media SL framing women activists primarily as mothers and therefore sympathetic. This framing proved useful to advocates, but they also resisted it with their arguments drawing on <economics and money>, offering a beatific fantasy of women as workers as well as mothers.

In my sixth and final sub-section on contestations, I looked at advocates’ challenges arguing that <‘doctor knows best’>. Drawing on FLs of <numbers as objective> and <scientific evidence\_proof>, advocates reinforced CBA’s <dependence on expertise> by substituting the <expertise> of doctors (or research scientists) for that of economists and accountants. I argued that <‘doctor knows best’> resonated with the historic power and authority of the medical profession and with <expertise>. Finally, I linked BCAC’s lauding the <scientific evidence\_proof> of Herceptin’s benefit to the profession of its Chair, Libby Burgess, who was (and is) a research scientist, familiar with trial protocols and interpretation, and BCAC including ‘evidence-based’ in its ‘mandate’.

In summary, CBA’s grip can be explained as emerging from multiple sources and many contestations in the debate reinforced rather than disturbed that grip.

In the next chapter, I offer a normative and ethical critique of the above and suggest some possible counter-logics.



## 8. Relinquishing the Security Blanket, or Moving Beyond the Comfort of CBA: critique and counter-logics

*Inspect every piece of pseudoscience<sup>145</sup> and you will find a security blanket, a thumb to suck, a skirt to hold. What have we to offer in exchange? Uncertainty! Insecurity!*

~ Isaac Asimov

This chapter addresses the critique step of LCE’s method of articulation and the three parts of RQ5: how could CBA be otherwise?; what other presences, presentations, and roles could CBA have had in this debate?; and, how else could CBA have been contested and defended? As my choice of epigraph suggests, I aim in this chapter to disrupt and unsettle the certainty of both the hegemonic characterisation of CBA and its contestations in the debate, by “project[ing] alternative values and ideals into the object of study to assist in the production of a fuller critical explanation” (Glynos and Howarth 2007, 193), and to reactivate its radical contingency.

To do this, I draw on the work of Brown (2009) and others, particularly the Marsden project<sup>146</sup>, in developing dialogic accounting (DA), to inform my normative stance (see also Chapter 5) and the ‘alternative values and ideals’ on which I base the first of my two-part critique of the presentations, roles, and characterisations of CBA laid out in Chapter 6 and the associated explanatory logics offered in Chapter 7. The second part comprises an ethical critique, “interrogating the *modes* of identification, focussing in particular on the *way* in which radical contingency is or is not properly acknowledged and negotiated” (Glynos and Howarth 2007, 198, emphasis original) in participants’ responses to the dislocation of the debate and positioning these against LCE’s ethical-ideological and political-social axes. Together these critiques continue and extend the explanation for CBA’s grip through suggesting some preliminary counter-logics for use in LCE’s intervention step, discussed further in Chapter 9.

Thus, the second purpose of this chapter is to offer some imagined counter-logics of CBA, or how CBA could be otherwise. However, as counter-logics are constructed by the analyst, they have no independent ‘reality’. Nevertheless, these are “not pure projections, since they are also immanent – that is, they exist in incipient form – in the self-interpretations of [participants]” (Glynos and Howarth 2007, 196). In other words, the characterisations and logics presented in Chapters 6 and 7 suggest starting points to develop counter-logics, with the contested presentations in particular

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<sup>145</sup> I do not suggest that CBA is a pseudoscience, rather that its use shares some similarities with Paulos’ example of numerology, which he claims is “generally used to corroborate some existing doctrine, and little if any effort is expended to construct counter-examples” (1990, 67).

<sup>146</sup> Dialogic Accounting: The Challenge of Taking Multiple Perspectives Seriously, Contract No. VUW1011.

offering ‘incipient forms’ of counter-logics already resonant with debate participants. Given the potentially limitless terrain of an ‘otherwise CBA’ and that “[t]he norms and ideals that we project into our objects of study are intrinsically contingent, contestable and revisable” (Glynos and Howarth 2007, 198), I develop mine from the explicitly normative stance that a CBA incorporating DA principles would enable participants to ‘hold it more lightly’, the overall aim of my project. Thus, I begin by presenting my critique in Sections 8.2 and 8.3, then in Section 8.4 draw on other accounting approaches “that would encourage learning and emergence” (Cooper and Morgan 2013, 433) in place of certainty, to argue that adopting such approaches could help move CBA in a more dialogic direction.

### 8.1 Normative Critique

*Being critical is a relation, not a property. One cannot ‘be critical’, one can only be critical **of something** (Braun 2016, 110, emphasis original)*

The task of normative critique in the LCE framework is not simply to ‘measure’ elements of discourse against a normative ‘standard’, but to “assist in the production of a fuller critical explanation” (Glynos and Howarth 2007, 193) and help develop counter-logics for use in the intervention step. Thus I articulate my normative DA framework with other empirical elements using the same approaches as earlier in my data analysis (reactivation, deconstruction, commensuration, and articulation), as a step toward developing counter-logics that more openly recognise contingency and thinking differently about CBA.

I begin by outlining the eight principles of DA.

#### 8.1.1 Normative standpoint: the principles of dialogic accounting (DA)

As I noted in Chapter 5 when presenting my research strategy, my normative stance, including the critique step, employs the principles of DA, a project concerned with “respect[ing] difference, tak[ing] ideological<sup>147</sup> conflict seriously and [being] sensitive to the complexity of power dynamics” (Brown 2009, 315). The DA principles, as laid out by Brown (2009), are:

1. Recognise multiple ideological orientations
2. Avoid monetary reductionism
3. Be open about the subjective and contestable nature of calculations

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<sup>147</sup> This is a different meaning of ‘ideological’ than that used by Glynos and Howarth (2007) and employed later in this chapter in my ethical critique, being concerned with participants’ more-or-less structured sets of beliefs or ideas, rather than their acknowledgment of radical contingency, which is more closely aligned with – though not identical to – DA principles 3 (be open about the subjective and contestable nature of calculations) and 8 (resist new forms of monologism).

4. Enable accessibility for non-experts
5. Ensure effective participatory processes
6. Be attentive to power relations
7. Recognise the transformative potential of dialogic accounting
8. Resist new forms of monologism

Expanding on each principle in turn, I explain how I articulated DA with LCE in critiquing the differing presentations of CBA in the debate.

### **DA1: Recognise multiple ideological orientations**

This principle aims not only to enable participants to “express[...] different perspectives” but also to “engage in democratic interaction across perspectival borders” (Brown 2009, 324) and so in my critique I consider to what degree the presentations of CBA acted to promote or inhibit such expressions and interactions. Yet “[d]ifference is valued only insofar as it does not support domination and inequality” (ibid) and so I also consider what these presentations admitted or excluded.

### **DA2: Avoid monetary reductionism**

The core of this principle is that “impacts should not be reduced to a single ‘bottom-line’” (Brown 2009, 324), a norm that CBA cannot achieve given its primary purpose is to do exactly that (see Chapter 3). CBA’s derivatives, CEA and CUA, likewise cannot achieve this principle, being mechanisms to reduce complex impacts to a single metric, albeit ones that mix monetary and non-monetary values. Nevertheless, I use this principle to guide my assessment of the degree of closure (reduction) and the potential for alternatives immanent in participants’ narratives.

### **DA3: Be open about the subjective and contestable nature of calculations**

This principle represents a significant ‘hinge’ in the articulation between DA and LCE: “[S]ubjectivity and uncertainty are important parts of the dialogic process” (Brown 2009, 325) and it is imperative under this principle to acknowledge and honour the contingency of all assessments of ‘value’. Thus, I use this principle to guide my assessment of the openness of participants’ narratives to uncertainty and subjectivity. This principle is closely linked with that in Section 8.2 of participants’ ‘positions’ on the LCE ethical-ideological axis. However, it differs as this principle acknowledges openness to uncertainty and ambiguity (e.g. of estimation), whilst the ethical critique is concerned with the recognition (or non-recognition) of the inescapable contingency of meaning.

### **DA4: Enable accessibility for non-experts**

This principle argues for “[i]nformation [to] be provided in multi-layered ways – in forms [...] accessible to non-specialists” as well as to experts (Brown 2009, 325), with a view to addressing accounting’s democratic deficit critique (see Chapter 3 for this in relation to CBA). Thus, I use this principle to guide my judgements of how well (or not) participants’ characterisations of CBA enabled such accessibility and how these might suggest counter-logics that could move CBA towards doing so.

### **DA5: Ensure effective participatory processes**

This principle focuses on the need to “establish a more even playing field for the expression of diverse views” (Brown 2009, 326) and, because of CBA’s hegemonic characterisation in the debate as <dependent on expertise>, it is closely linked with DA4 and DA6. I draw on these to critique participants’ narratives for the space they offer for not only airing, but incorporating other perspectives.

### **DA6: Be attentive to power relations**

This principle is concerned with disrupting existing dominations and inequalities, by resisting the use of “calculating technologies [...] as ‘tools of power’” (Brown 2009, 326, n18). It guides my assessment of participants’ narratives’ emancipatory potential, linking this with my discussion in Chapter 7 of whether the contestations reinforce or diminish CBA’s grip.

### **DA7: Recognise the transformative potential of dialogic accounting**

DA “aims to encourage social actors to become more critically reflective (at individual, meso and macro levels) and to facilitate better talk across groups with different perspectives” (Brown 2009, 327). Whilst an LCE analyst must remain sceptical about the possibility of fully “bringing the limiting beliefs and assumptions of *all* actors into consciousness” (ibid, emphasis original) given the limits to self-knowledge of those actors<sup>148</sup>, this principle concerns the “reflection on and (re)construction of preferences as actors are exposed to new ideas” (ibid). Consequently, my analysis focuses on the responses of participants to other perspectives expressed<sup>149</sup> in the debate.

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<sup>148</sup> This is because subjectivity is “always *embodied* in material practices” (as modes of *jouissance*) and thus “not completely reducible to conscious apprehension” (Glynos and Howarth 2007, 120, emphasis original).

<sup>149</sup> Without the means to directly interrogate these responses, e.g. through participant interviews, my analysis of this aspect is necessarily limited to the responses publicly expressed. I suggest future research to address this.

### DA8: Resist new forms of monologism

This principle cautions against instituting a new monologism with its own dominations and inequalities in place of old ones: “We need to avoid suggestions that people are only ‘enlightened’ when they ‘agree with us’ [...] The objective is not necessarily to reach agreement but rather a richer understanding of complex issues” (Brown 2009, 327). Thus, I critique the debate’s characterisations of CBA in presentations of its objectives and whether these close down or open up the complexity of understandings available.

Having set out my normative framework, I move next to critiquing the hegemonic characterisations of CBA as <expected>, <quantitative>, <objective and neutral>, <factual>, <about economics (and money)>, and <dependent on expertise>.

#### 8.1.2 Critique of hegemonic presentations of CBA

Contrary to DA1, the hegemonic presentation of CBA inhibited rather than facilitated the expression of different perspectives. First, as <quantitative>, it could not adequately represent perspectives expressed in non-quantitative terms. Second, its presentation as <objective and neutral> ignored CBA’s assumptions, including its reliance on welfare economics with assumptions of, inter alia, competition, self-interest, and utility maximisation. This, along with <factual>, narrowed the perspectives it could encompass, serving to silence other voices with “different values, perspectives and assumptions” (Brown 2009, 324). Third, by being presented as <about economics (and money)>, CBA narrowed rather than expanded the range of values considered and reinforced the dominant SL of <economic efficiency> as the main decision criterion. Fourth, in its presentation as <dependent on expertise>, CBA limited the perspectives that could be included to those with either expertise in its techniques or resources to access such experts (Sinden 2004b). Fifth, the hegemonic presentation of CBA as <expected> initially seems neutral, neither encouraging nor discouraging the recognition or interaction of different perspectives. However, given its other hegemonic characterisations and its de-politicising effects (see Section 7.1.2.5), I read this as working to “delimit the parameters of debate” (Brown 2009, 316), closing down the perspectives that could be heard therein. When taken together with CBA’s hegemonic characterisations and its dominant role as <answer machine>, this also limited the possibility of CBA facilitating interactions between different perspectives, again contrary to DA1.

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The hegemonic characterisation of CBA as <quantitative> and as <about economics (and money)> also worked against DA2, by “reduc[ing] the values actors hold as citizens to consumer preferences” (Brown 2009, 325) and quantifying their trade-offs. The assumptions of welfare economics embedded in CBA (see Chapter 3) and its characterisation as <expected> worked with these to “flatten[...] our most deeply held emotions, beliefs, and values [...] into the monochromatic dull gray of the monetary metric” (Sinden 2004b, 210).

The hegemonic presentation of CBA, especially its characterisations as <objective and neutral> and as <factual> represented CBA’s calculations as a ‘black box’, resistant to both scrutiny and challenge. This, with its de-politicising effects (see Section 7.1.2.5), put it in opposition to DA3.

Contrary to DA4, CBA’s hegemonic presentation as <dependent on expertise> inhibited rather than enabled its accessibility to non-experts. CBA’s hegemonic characterisation as <quantitative> and <about economics (and money)> further diminished its accessibility, being perceived as specialised areas of knowledge too difficult for everyday understanding, thus beyond the reach of non-specialists to grasp and/or challenge (see Section 7.1.2.3).

CBA’s hegemonic presentation as <dependent on expertise> also resisted DA5, by privileging experts’ view over others, whilst its inaccessibility to non-experts, described above, made it difficult for broader participatory processes to occur. Similarly, its presentation as <about economics (and money)> and its focus on <economic efficiency> worked against an ‘even playing field’ by excluding other important values from consideration, as did the presentation of CBA as <factual>. Together these limited the avenues available for debate (see Section 7.1.2). For example, the de-politicising effects of CBA (see Section 7.1.2.5) helped participants position Pharmac’s decision as purely technical and not amenable to more participatory processes.

The hegemonic presentation of CBA appeared inattentive to power relations, contrary to DA6. Characterised as <quantitative>, <objective and neutral>, and <factual>, it worked to “obscure[...]” not reveal its underlying “value judgments” (Brown 2009, 326) and reinforced existing dominations of <expertise> and <economic efficiency> in decision-making. In addition, as noted above, it worked to exclude other perspectives, non-experts, and challenges to its subjectivity, thereby limiting its scope to make power relations more visible. Similarly, CBA’s hegemonic presentation as <dependent on expertise> increased the

*... risk that ‘evidence-based policy’ will become a means for policy elites to increase their strategic control over what constitutes knowledge about social problems in a way that devalues tacit knowledge, practice based wisdom, professional judgement, and the voices of ordinary citizens (Marston and Watts 2003, 158)*

The hegemonic presentation of CBA, embodying assumptions of welfare economics, took for granted that individuals have innate preferences that could be aggregated to a utility function. Thus, it failed to recognise the potential of DA to transform these, contra DA7. If preferences are innate, there is little need to reflect on them, except perhaps for their quantification. Nor was there much evidence of participants critically reflecting on their own or others’ positions or preferences. Since my study is historically focused and archival, future research could address this by interviewing participants directly about their reflections post-debate.

Contrary to DA8, the hegemonic presentation of CBA did not “seek[...] to surface conflict and preserve agonistic democratic values” (Brown 2009, 327), rather the opposite. In its characterisation as <objective and neutral>, it absorbed or neutralised conflict by subsuming all values and preferences under ‘utility’ and closed down considerations to the <factual>, the <quantitative>, and <about economics (and money)>. As I presented in Sections 7.1.2.2 and 7.3, ‘the economy’ formed a privileged signifier in the debate’s surface of emergence, and the hegemonic characterisation and its contestations mostly reinforced this privilege. Thus, these characterisations closed down rather than opened up opportunities to resist monologisms, old or new.

Figure 17 below summarises this analysis visually by ‘plotting’ the hegemonic characterisation of CBA against each principle on an axis of less-to-more dialogic.

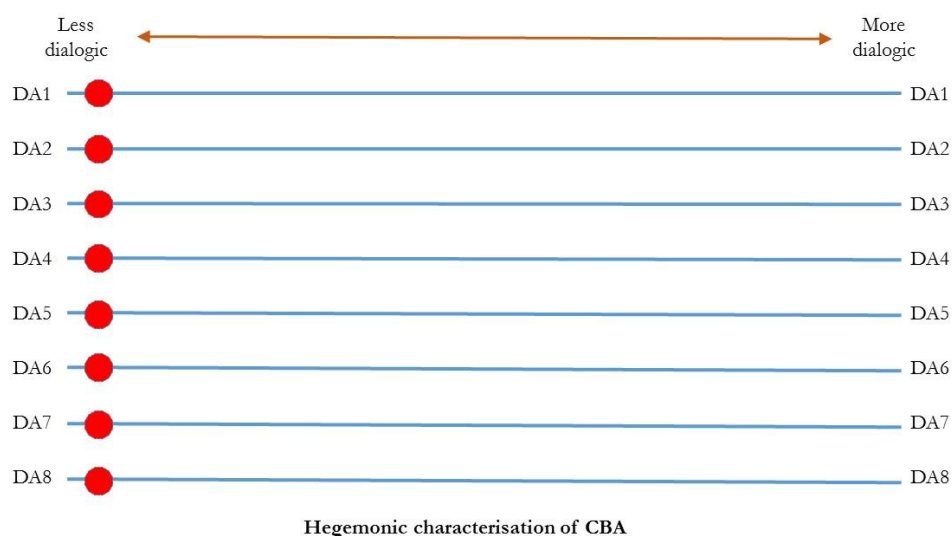


Figure 17: The hegemonic characterisation of CBA represented on a scale of less to more dialogic

Based on the above analysis, I conclude that the hegemonic presentation of CBA in the debate articulated poorly with all eight DA principles – an unsurprising finding given Brown suggests it is an example of monologic accounting technology (2009, 328).

### Potential counter-logics

It is tempting to immediately devise counter-logics to challenge the hegemonic characterisation of CBA by inverting its problematic aspects (e.g. prioritising <qualitative> elements and excluding the <quantitative>). However, this would risk simply inverting current dominations and power relations, and instituting new monologisms<sup>150</sup>, contra DA8. Rather, I locate a range of potential counter-logics in the defences and contestations of CBA in the next two sub-sections before addressing the development of “possible counterfactuals” (Glynos and Howarth 2007, 206) in Section 8.3.

### 8.1.3 Critique of opponents’ defences of CBA

I argued in Chapter 7 that opponents’ defences of CBA were largely based on its hegemonic characterisations, and so the critique above also applies to these defences. However, aspects of the defences differed from that characterisation, hence they warrant separate analysis. In the next subsection, I consider these by further articulating the narrative defences of CBA with DA principles.

#### 8.1.3.1 ‘NZ is an egalitarian country’: part 1

Opponents’ arguments defending CBA as a <fair> way to allocate <constrained resources> prioritised <economic efficiency> as an allocation criterion, reinforcing its hegemonic characterisation, and ignoring other perspectives and the situated nature of their own perspective (i.e. DA1). Similarly, opponents’ arguments that the only way CBA could be <fair> was through <excluding economic ‘externalities’> closed down other possible standpoints, contra DA1, and prioritising <economic efficiency> reinforced CBA as <about economics (and money)>, contra DA2.

<Fairness> was presented by opponents as possible only by removing emotion from decision-making (see Section 7.1.2.3), since <rational> action relied on basing decisions on

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<sup>150</sup> See, for example, my analysis in Section 7.3.6 of how advocates’ narratives of <‘doctor knows best’> worked to reinforce the dominance of <expertise> in decision-making through substituting one type of <expertise> for another.



<objective and neutral> <evidence>, or <facts> generated by <experts>. Such articulations neglected how power relations help determine what kinds of <evidence> are considered acceptable (see e.g. Marston and Watts 2003, on evidence hierarchies) and who ‘counts’ as an expert. Thus, these arguments worked against both DA6 and DA4, with negative consequences for DA3 and DA5.

In arguing for CBA as <fair> because it treated all proposed interventions alike, opponents relied on its hegemonic characterisation as <factual>. This inhibited contestation of its calculations, contra DA3, and made effective participatory processes (DA5) harder to achieve, especially when articulated with its characterisation as <objective and neutral>. Together, these arguments limited opportunities for a more open and transformative debate, failed to recognise DA’s potential (DA7), and reinforced CBA’s monologism.

Figure 18 below summarises this analysis visually by ‘plotting’ the narrative defence of CBA as <fair> against each principle on an axis of less-to-more dialogic.



Figure 18: Opponents’ defence of CBA as <fair> represented on a scale of less to more dialogic

Thus, my normative critique of opponents’ narratives defending CBA as <fair> closely resembles that of its hegemonic characterisation, despite this narrative’s dialogic potential, which I outline below.

### Potential for counter-logics

Opponents’ arguments of <fairness> held potential for creating a more dialogic CBA, as they recognised – if in a monologic way – that others were affected, forming an immanent space for

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including other perspectives. I argue that <fairness>, as a significant logic in the arguments of both advocates and opponents (see also Section 8.1.4.3), resonated strongly in the debate, so it could be used to ‘hinge’ an articulation of a more dialogic CBA.

More specifically, the appeals made to <fairness> to others in opponents’ narratives carried dialogic potential for greater recognition and inclusion of other perspectives’ and values (multiple ideological orientations). To the extent that those values are not subsumed into the <economic>, they could promote DA1, with some potential for DA2, and form a ‘stepping stone’ to more effective participatory processes (DA5), addressing some of CBA’s democratic deficit (see e.g. Bebbington et al. 2007) and increasing its recognition of connections between people, the environment, and other concerns. With careful articulation and ongoing attention to maintaining radical contingency, these arguments of <fairness> could also address dialogic concerns for attentiveness to power relations (DA6) and DA’s transformative potential (DA7).

Similarly, opponents’ narratives of <fairness> of process held an immanent counter-logic of inclusion, that a dialogic project could use to enhance effective participation (DA5) and attentiveness to power relations (DA6), and to resist new monologisms (DA8).

For more on this, see Section 8.4.

### ***8.1.3.2 An impartial arbiter: CBA as objective and neutral***

In their narratives presenting CBA as an impartial arbiter, opponents relied on its hegemonic characterisations as <objective and neutral> and <factual>, thereby closing down debate of its calculations, contra DA3. This had negative consequences for DA1 and DA2: as I argued in Section 7.3.2, this ‘muted’ other discourses (Lunt 2008), and reinforced the monologic dominance of the <economic>.

In their narratives defending CBA’s <objectivity and neutrality> by articulating its <quantitative> characterisation and especially by <excluding economic ‘externalities’>, opponents minimised the difficulties of <adequately measuring> CBA, contra DA3, promoting monetary reductionism rather than avoiding it (contra DA2).

Nevertheless, Pharmac’s CUA (PHARMAC 2007c, ; also P018 & appendices), in contrast to its ‘public’ documents, was more open about difficulties of measurement. This might have opened a space for alternative viewpoints, but as it generally ascribed these difficulties to uncertainty rather

than ambiguity<sup>151</sup>, its effect was to re-close that space. A more dialogic CBA, however, would attempt to hold that space open for as long as possible, a point I return to in Section 8.4.

Other aspects of this defence of CBA also worked against DA principles. These included opponents' arguments that it was only by <excluding 'externalities'> that CBA could be <objective and neutral>, which limited CBA's ability to include non-<economic> perspectives and diminished its interaction with others, contra DA7. Similarly, CBA's <dependence on expertise> was presented as necessary for its (supposed) <objectivity and neutrality>, thereby limiting its accessibility to non-experts (contra DA4) and hence its capacity for effective participatory processes (contra DA5). Together, these made CBA inattentive to power relations, contra DA6, and so unable to recognise the transformative potential of DA (DA7).

In defending CBA as <objective and neutral>, opponents offered largely 'closed' presentations of CBA's 'boundaries', which they presented as 'correct', failing to recognise the situated nature of their preferred boundaries (in Pharmac's case, recognising only the DHBs' (i.e. funders') perspective), contra DA1, DA3, and DA6. In addition, opponents' presentation of CBA as being <adequately measured> closed down opportunities for democratic participation (DA5) by denying opportunities for different voices to be heard that would contest the values and assumptions that should (or should not) be included.

In preparing its CUA solely from the perspective of the DHB, Pharmac made it harder for non-experts to challenge its calculations, for few outsiders could argue credibly against its measurements of internal costs<sup>152</sup>. Brown argues for the need for "experts themselves [...] cultivat[ing] greater self-awareness of the values and assumptions underpinning their models" to foster greater openness around conflicting views within contributing disciplines (2009, 326) and sharing these with other participants. Pharmac's CUA depended heavily on <experts'> estimates in generating a cost/QALY. It stated that it had received input from PTAC and was reviewed by "an international expert" (PHARMAC 2007c, 7), but paid little attention to the

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<sup>151</sup> Uncertainty relates to "imprecise judgement" resulting from a lack of information, whilst ambiguity relates to a "lack of clarity" that cannot be reduced by any amount of additional information (Vakkuri and Meklin 2006, 237). For more on this, see March (1994). Stirling (2012) adds conditions of 'risk' (unproblematic knowledge of possibilities and their likelihood) and 'ignorance' (problematic knowledge of possibilities and their likelihood) to uncertainty (unproblematic knowledge of possibilities and problematic knowledge of their likelihood) and ambiguity (problematic knowledge of possibilities and unproblematic knowledge of their likelihood) by considering the subjectivity of knowledge.

<sup>152</sup> For example, the hospital costs listed on p. 26 of P016.

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underlying assumptions behind its model<sup>153</sup>, such as <economic efficiency> or the values this incorporated, contra DA4, with effects on DA5 and DA7.

Opponents' acceptance of <excluding economic 'externalities'> represented a closing down of perspectives, contra DA1 and DA6, to the single voice of the funder (DHBs), from whose perspective the CUA was prepared. However, opponents recognised neither the situated nature of their own discourses nor the potential for a more open and transformative debate. This failure contributed to a narrowing of debate, contra DA5. Nevertheless, Pharmac was explicit about conducting its CUA from the standpoint of the DHBs and that this involved excluding alternatives. This at least acknowledged the existence of other standpoints – a prerequisite for being able to engage with them. In prioritising the standpoint of funders, however, the resulting CUA boundaries reinforced the domination of <about economics (and money)> and ignored the power differential between DHBs and patients, among others, contra DA6.

Opponents' contestations around the <objectivity and neutrality> of CBA's <measurement> meanwhile attempted to sediment their preferred <quantitative> measurement standards, without interest in learning from or including others' perspectives, contra DA1.

Figure 19 below summarises this analysis visually by 'plotting' the narrative defence of CBA as <objective and neutral> against each principle on an axis of less-to-more dialogic.

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<sup>153</sup> Pharmac's CUAs are based on its PFPA or methods 'manual' which, whilst making several recommendations on a preferred approach, shows few signs of reflection on its own assumptions or positioning (see PHARMAC 2007b, 2012b).

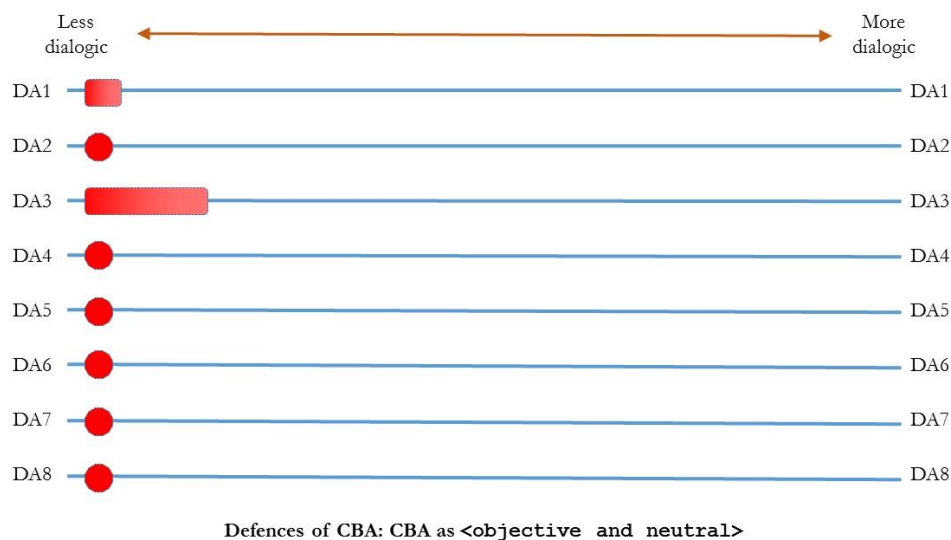


Figure 19: Opponents' defence of CBA as <objective and neutral> represented on a scale of less to more dialogic

### Potential for counter-logics

Compared with <fairness> to others, it is harder to see the potential for counter-logics in opponents' arguments centred on <objectivity and neutrality>. Nevertheless, the literature reviewed in Chapter 3 suggests that there *are* avenues to challenge these characterisations of CBA. By articulating these with elements of the debate, especially P016 and its associated documents, and DA principles, it is possible to suggest counter-logics that could have gained traction.

One possibility would be to recognise multiple perspectives (DA1) within Pharmac's CUA. Were different underlying assumptions made, its outputs could differ markedly, opening spaces for more effective participatory processes (DA5). Similarly, where Pharmac's CUA considered costs and benefits only from the DHBs' perspective, drawing its boundaries in one way, alternative or counter-CUAs<sup>154</sup> could draw these elsewhere, perhaps with community or patient input, helping to move CBA towards DA4 and DA6.

Another possibility would be to build on the uncertainty of measurement evidenced in Pharmac's TARs<sup>155</sup>. More openly acknowledging this uncertainty (i.e. in the public arena of press releases,

<sup>154</sup> Shadow and counter-accounts (see Gallhofer and Haslam 2003) offer a model for such alternatives.

<sup>155</sup> Technology Assessment Report (Pharmac's CUA).

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news reports, and so forth) would move CBA towards DA3 and increase opportunities to move it towards DA2 and DA5 since it would encourage more open and democratic discussion.

For more on this, see Section 8.4.

### ***8.1.3.3 CBA is NOT decisive: CBA as learning machine***

I found Pharmac's narratives of CBA as a <learning machine> and not <decisive> especially intriguing, as they appeared the most open to contingency yet were principally employed to preclude contestation and to protect CBA's <expected> use (see Section 7.2.3). This makes them interesting to critique as potentially rich sources for counter-logics.

A narrow interpretation of this defence suggests that Pharmac's insistence on CBA as only one of <multiple criteria> bracketed questions of perspective (DA1) as irrelevant, especially given CBA's hegemonic characterisation as <about economics (and money)>. More generous readings are possible however, including that it recognised other perspectives existed but maintained that their inclusion and interaction were better addressed by other means than within CBA. For example, Pharmac's normal processes included consultation before listing a new intervention (see e.g. PHARMAC 2006), so this could have provided a space where inclusion and interaction should (or perhaps did) occur<sup>156</sup>.

Similarly, multiple readings of this defence are possible in relation to DA3, openness about the subjectivity and contestability of calculations. As previously noted, Pharmac's technical TAR documents (i.e. P016, P018, and their appendices) offered the most comprehensive acknowledgement of contingency in the debate, giving often wide ranges of estimates and clear statements of assumptions made. This offers a glimpse of how CBA could adopt a more dialogic stance and become more open to this principle. Yet these documents held out a "false promise of determinacy" (Brown 2009, 325; following Sinden 2004a) as they strove to ever more closely approximate the 'right' number, diminishing opportunities to resist its <quantitative> monologism, contra DA8. In addition, opponents' public use of these documents' outputs displayed little acknowledgement of how subjective and contestable these numbers were, indicating a more closed approach. The apparent openness to subjectivity in Pharmac's TAR was also off-set by its "aim[...] to be as free of value judgements as possible" (PHARMAC 2007b, 11), thus failing to recognise its own perspective, contra DA1. Instead, opponents typically returned to the hegemonic characterisations of CBA as <objective and neutral> and as

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<sup>156</sup> Although this raises other issues, such as who gets consulted and how their voices are (or are not) heard and acted upon (see e.g. Archel et al. 2011), these are beyond the scope of my analysis here.

<factual> – the “facts speaking for themselves” (Brown 2009, 316) – to close down such recognition.

With respect to the other DA principles, this defence tended toward an even less dialogic approach, but still contained potential for developing counter-logics. For example, the inconclusiveness of the <scientific\_evidence\_proof> of Herceptin’s benefit gave greater weight to its cost, contra DA2, and deepened its <dependence\_on\_experts>, contra DA4 and DA6 (with consequences for DA5). However, this could have provoked more open discussion of what gets measured in CBA and how, i.e. akin to a potential <learning\_machine> focused on interacting with and learning from different perspectives rather than one focused on <economic\_efficiency>. Taken with Pharmac’s public expressions of concerns about <adequately\_measuring> the <evidence> of Herceptin’s benefit – and its silence on <adequately\_measuring> its cost – the dialogic possibilities of this defence remained unrealised.

Figure 20 below summarises this analysis visually by ‘plotting’ the narrative defence of CBA as <not\_decisive> against each principle on an axis of less-to-more dialogic.

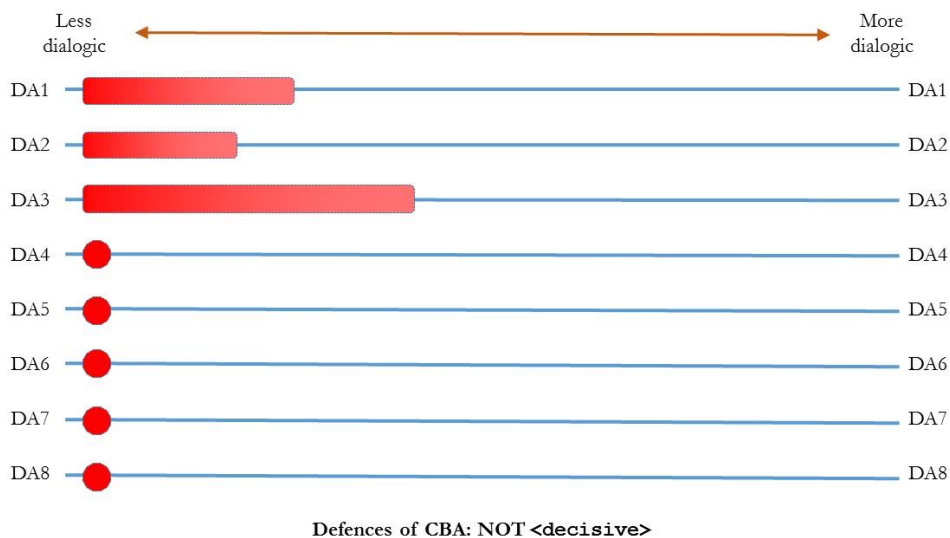


Figure 20: Opponents’ defence of CBA as <decisive> represented on a scale of less to more dialogic

### Potential for counter-logics

Considering CBA as a <learning\_machine> offers a major opportunity for developing counter-logics fostering a more dialogic CBA – one that offers “help mediating [the] uncertainties of the world” rather than “provid[ing] solutions” (Mouritsen and Kreiner 2016, 24). This could

open spaces enabling all eight DA principles by highlighting CBA's contestability and contingency. Ensuing challenges could change CBA's focus from its closure of <resource allocation criteria> and the singular goal of <economic efficiency> towards learning from multiple perspectives what they regard as important criteria.

The (private) openness of Pharmac's TAR documents to uncertainties of measurement and their acknowledgement of its singular perspective could be used to encourage public expression of these uncertainties, widening the possibilities of engagement and contestation with them (DA3). Similarly, such public openness, along with appropriate information and education, could facilitate DA5, enable accessibility for non-experts, and DA5, and ensure effective participatory processes, by explicitly acknowledging different standpoints (DA1) in 'alternative' or 'comparison' CBAs<sup>157</sup>. A more dialogic CBA would strive less to determine the 'correct' value and be more to open to public scrutiny and discussion of its boundaries and estimates (i.e. <measurement>) techniques. This could move future debates beyond the 'right/'wrong' binary that occurred in the Herceptin debate.

### 8.1.4 Critique of challenges to CBA

In this sub-section, I critique the challenges to CBA, beginning with the advocates' narratives around <choice> and autonomy.

#### *8.1.4.1 The autonomous self: choice and subjectivity*

In their characterisation of CBA as an <answer machine> that frustrated patients' preferred <choice> of treatment, advocates leaned heavily on FLs of <consumerism> and <individualism>. Their logics gave some recognition to the existence of multiple perspectives (i.e. supported DA1), at least to the extent of recognising that patients held different priorities and values to Pharmac. I judge this recognition to be somewhat superficial, however, for advocates largely represented the available standpoints as a straightforward binary, with Pharmac and its supporters prioritising money on one 'side' pitted against patients and their supporters prioritising health on the other. Furthermore, these priorities were depicted as innate preferences which, whilst their precise make-up might vary between individuals, were presented as essentially given. Such a binary representation worked against DA5 and DA7 through its adversarial positioning but, more importantly, took for granted that such preferences were – or should be – a

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<sup>157</sup> This could also take the form of 'counter-CBAs', analogous to the 'counter-accounts' produced by activists (Gallhofer and Haslam 2003) to avoid issues of 'capture' and/or selective consultation already noted.



significant factor, if not **the** <decision criterion>, in making resource allocations, shutting down non-<consumerist> perspectives, contra DA1 and DA8.

These <individualist> narratives were inattentive to power relations, contra DA6, for they assumed away power differences between participants. In framing their struggle for funding as ‘sympathetic underdog versus faceless bureaucracy’ (see Section 7.3.4), advocates minimised how such choices could be shaped by factors such as access to resources to pay for treatment in the absence of funding, or education and training needed to read and meaningfully interpret the data from clinical trials.

These narratives challenged monetary reductionism, supporting DA2, through their insistence that <economic efficiency> and/or cost was not the most appropriate <resource allocation criterion>. This did not extend to supporting DA3, however, as the focus of this narrative was on Pharmac’s omission of patients’ preferred <choice> of treatment, and advocates argued more about the inadequacy of the calculations rather than their subjective and contestable nature. A generous reading, however, would suggest some implicit contestation of this, and some implicit support for DA4 in this narrative, through its insistence on the importance of recognising the ‘lay’ knowledge of in the form of patient preferences.

Figure 21 below summarises this analysis visually by ‘plotting’ the narrative challenge to CBA as a denial of <choice> against each principle on an axis of less-to-more dialogic.



Figure 21: Advocates’ challenge to CBA as denial of <choice> represented on a scale of less to more dialogic

### Potential for counter-logics

This narrative offers several opportunities for developing its incipient counter-logics. Its rejection of CBA's monetary reductionism (per DA2), whilst appearing as promoting a reductive monologism of individual consumerist preferences, could be called upon to progress a more dialogic CBA. Its image of patients as active, involved participants with relevant knowledge to contribute could promote both DA1 and DA4, although this would need close attention to DA6 to also promote DA5. Its implied recognition of two 'positions' suggests this could be expanded beyond a binary mode to include multiple ideological orientations (DA1), leading to the greater contestation of calculations (DA3) enabled by greater acknowledgement of their situated nature.

#### *8.1.4.2 'Our Women Are Worth It': making an economic argument for Herceptin*

The advocates' narrative outlined in Section 7.3.2 as making an <economic> argument for funding Herceptin directly challenged the calculation of Pharmac's CBA, so moved towards DA3. However, in focusing mainly on the 'boundary critique' and weightings applied (see Section 3.1.3) to claim that Pharmac had miscalculated its CBA, advocates did not draw attention to or challenge the subjectivity involved. Hence this narrative remains a predominantly non-dialogic approach that helped reinforce the hegemonic characterisation of CBA as <about economics (and money)>, contra DA1, DA7, and DA8. In retaining CBA as a main <resource allocation> – albeit with 'better' inputs – it reinforced the monetary reductionism that DA2 aims to avoid. A further silence in this narrative was on the power relations involved, contra DA6, working to reinforce <economic efficiency> as a hegemonic <resource allocation criterion>, against DA7.

On the other hand, despite its reinforcement of monetary reductionism and existing <economic> hegemonies, this narrative can be read as giving some support to DA4 and so, to a lesser extent, to DA5. By insisting that Pharmac's CBA should include a wider range of considerations, and (some) elements important to patients, this narrative opened some space for non-expert participation. I argue that the support for DA5 is more limited than that for DA4 because these challenges to CBA's calculation remained reliant on <expertise> to 'properly' (i.e. 'correctly') calculate the value of Herceptin's CBA. Whilst this participatory space was limited in the debate, it does suggest a resonance with possibilities for developing counter-logics.

Figure 22 below summarises this analysis visually by 'plotting' the narrative challenge to CBA's <measurement> against each principle on an axis of less-to-more dialogic.

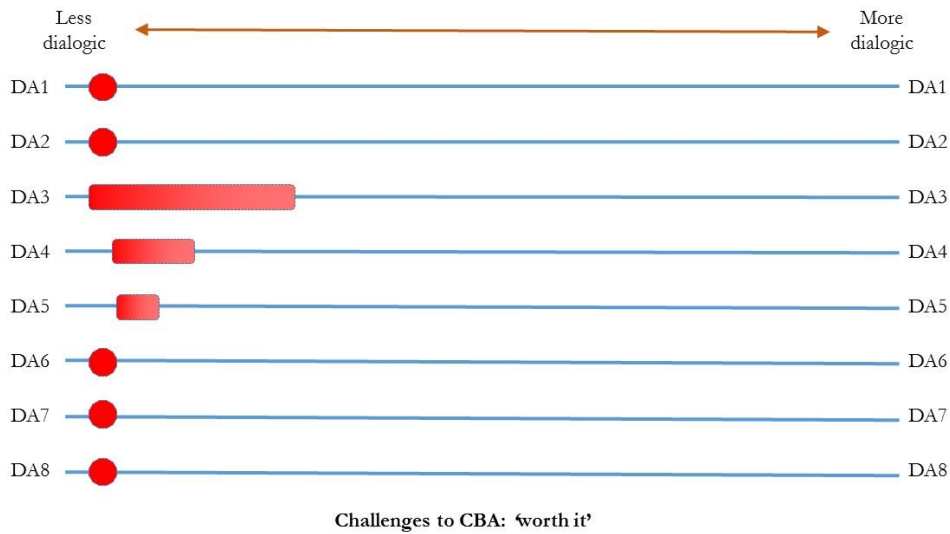


Figure 22: Advocates' challenge to CBA's <measurement> ('worth it') represented on a scale of less to more dialogic

### Potential for counter-logics

To draw counter-logics aimed at making CBA more dialogic from a narrative focused on making an <economic> argument for funding Herceptin would seem unlikely, but such opportunities do exist. The strongest arises from the challenges made to CBA's boundaries and measurement, which could be built upon and expanded to not only highlight the subjective nature of calculations (DA3) but also as an entry point to or 'hinge' articulating this with other DA principles.

#### 8.1.4.3 'NZ is an egalitarian society': part 2

Advocates' arguments of <fairness> were predominantly concerned with <fairness> to individuals (see Section 7.3.3), in contrast to opponents' arguments of <fairness> to others, as discussed above. This meant that they reinforced hegemonic norms of <individualism>, restricting opportunities for other ideological orientations to surface, contra DA1. Similarly, with these FLs closely tied with those of <scientific\_evidence\_proof>, they offer little to support DA7 or DA8, for they imply replacing an <economic> monologism with one of <evidence> or '<doctor knows best>' (see Section 7.3.6).

Although this '<doctor knows best>' logic appears to simply replace one <expertise> for another, in combination with <choice> and <fairness>, it does suggest some challenge to CBA's monetary reductionism, per DA2, in its insistence that money was not – or should not be - the sole appropriate <resource\_allocation\_criterion>.

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By demanding that Pharmac more heavily weight the <scientific\_evidence\_proof> of Herceptin’s benefit, advocates challenged CBA’s <measurement> and the calculation of Herceptin’s <true\_cost>, per DA3. This was only a partial agreement with this principle however, as there was little acknowledgement of the subjective nature of those calculations, only that advocates described them as ‘wrong’. However, it does open a space for future counter-logics.

Similarly, the <dependence\_on\_experts> that such <scientific\_evidence\_proof> requires also attenuated the dialogic potential of these arguments to meet DA4 and DA5, despite their surface appearance of empowering and including <individuals> in decision-making. Nevertheless, there were glimmers of attention to power relations (DA6) in advocates’ arguments of un-<fairness> to Maori and Pasifika women and those in lower socio-economic groups (see e.g. A001), although these are less evident in the media reports which typically focused on the un-<fairness> of <individuals> losing <consumer> <choices> after paying privately for treatment (see e.g. A003, M003). These glimmers suggest incipient counter-logics that could be developed further whilst better enabling the other DA principles, especially DA5.

Figure 23 below summarises this analysis visually by ‘plotting’ the narrative challenge to CBA’s <fairness> against each principle on an axis of less-to-more dialogic.



Figure 23: Advocates’ challenge to CBA as un-<fair> represented on a scale of less to more dialogic

### Potential for counter-logics

Advocates' use of <fairness> could motivate counter-logics that embrace a more dialogic CBA. For example, the contestation of CBA's calculation could be extended by moving beyond a 'right'/'wrong' number duality, to emphasise the subjectivity and assumptions involved in generating any CBA. Articulated with the other DA principles, this could then 'hinge' further developments, beginning with greater recognition of multiple ideological perspectives (DA1) and how these would motivate different assumptions. The attention to power relations (DA6) incipient in advocates' arguments of un-<fairness> to under-privileged groups, noted above, could be articulated with DA1 to enhance CBA's accessibility for non-experts (DA4) and ensure effective participatory processes (DA5) leading to opportunities to mitigate CBA's monetary reductionism (DA2).

#### ***8.1.4.4 Human-interest stories: personal narratives and the media***

*"For me, I believe one year of Herceptin treatment is well worth the cost and side effect risk if it increases my chance of living even by a few percentage points" M004 (Sue Walther, GP & HER2+ cancer patient)*

As I described in Chapter 7, Section 7.3.4, much of the media coverage of the debate utilised the genre of human-interest stories and associated media 'frames' to elicit conscious emotion in their audiences. The challenges advocates made to CBA's hegemonic characterisation as <about economics (and money)> through demands that other things were important may be read as supporting DA1, i.e. insisting that other perspectives be included. Similarly, the alternative values, such as <motherhood> and <family>, which these advocates presented as more important than cost, helped this narrative to challenge CBA's monetary reductionism (per DA2). However, these personal stories of 'injustice' and un-<fairness> to these named individuals were often articulated with the 'our women are worth it' narratives critiqued in Section 8.1.4.2. Framing these women's 'worth' in <economic> terms, and by taking Pharmac's costing of funding Herceptin at face value diminished this narrative's potential to challenge the subjective and contestable nature of CBA's calculation (DA3) and the reduction of criteria to dollar values. However, there were elements in this narrative – such as demanding a broader range of inclusions, which can be read as giving support to DA5 and encouraged accessibility to non-experts (DA4) by emphasising non-technical, familial notions of 'value'. Advocates' use of comfortable and non-threatening media frames, however, failed to confront the impact of power relations (DA6) on which 'voices' might be heard within those frames. This made it more difficult for these narratives to sustain their support of DA4 and, by extension, DA5.

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I found little to no reflection within this narrative on participants' own or others' situated positioning, contra to DA7, with those positions being typically attributed to inherent interests in a simplified and binary opposition of sympathetic 'mum' to unfeeling bureaucracy. Nor was there explicit challenge to CBA's hegemonic characterisation as <factual>, again contra DA7. Further, whilst the human-interest appeals of these narratives based on named individuals' struggles offered potential for challenging CBA's boundaries and widening it beyond the <economic>, the (presumed) relatability of these women resting on their stereotypical gender roles<sup>158</sup> of <motherhood> and <family> relationships closed down rather than opened up contingency, contra DA8.

Indeed, rather than enabling "richer understanding of complex issues" (Brown 2009, 327) promised by DA8, narratives utilising logics of human-interest actively worked against change and a more nuanced understanding. I pointed out one problematic aspect of this in Section 7.3.4, where I argued that human-interest stories encourage their audiences to believe that experiencing affect (e.g. being moved or outraged) is sufficient, thereby diminishing both opportunities and impetus for more active interventions. Here I suggest that these narratives contributed to the dislocation of the debate being "gentrified (or absorbed) into [the] existing social practice" (Glynos and Howarth 2007, 112) of 'business-as-usual' hegemonic CBA and stereotyped gender identities. In other words, notwithstanding the short-term effectiveness of advocates utilising known media tropes of 'underdog battling heartless bureaucracy' and 'Momism' (Eliasoph 1998), this narrative reinforced and sedimented CBA's hegemonic presentation and gender stereotypes.

Figure 24 below summarises this analysis visually by 'plotting' the hegemonic characterisation of CBA against each principle on an axis of less-to-more dialogic.

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<sup>158</sup> I return to the issue of gender role presentation in Section 8.1.4.5.

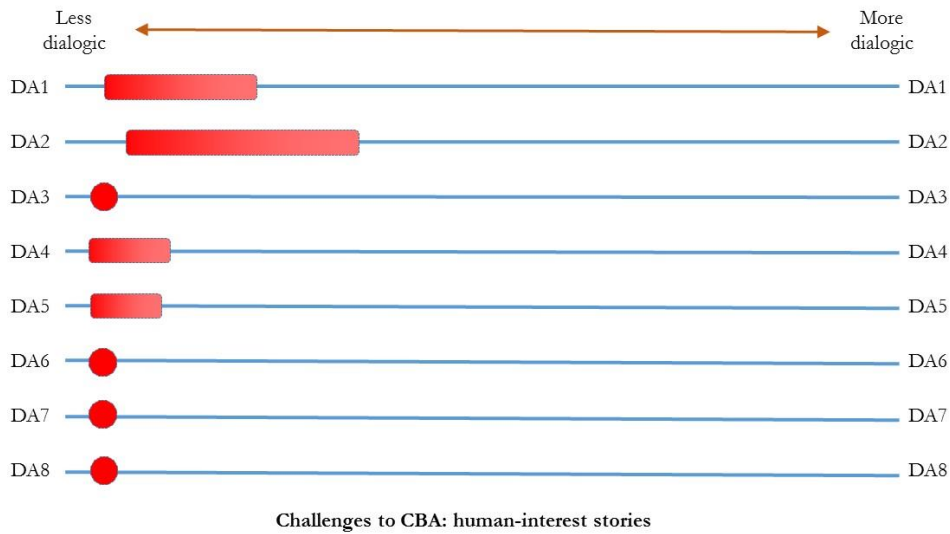


Figure 24: Advocates’ challenges to CBA through human interest stories, represented on a scale of less to more dialogic

### Potential for counter-logics

Advocates’ human-interest stories contained immanent counter-logics which could be further articulated with DA to develop a more dialogic CBA. These include its challenge to CBA’s inclusion/exclusion boundaries, which could be articulated with DA3 to draw attention to the subjectivities and estimates involved in CBA’s calculation. By drawing on the personal aspects of human-interest, such counter-logics may achieve greater resonance and provoke greater action than the cognitive appeals made in the literature surveyed in Chapter 3. Their recognition of alternative ideas of ‘value’ could help promote DA1, and, with careful attention to power relations (DA6), could help promote DA4 and DA5.

#### 8.1.4.5 *Performing femininity: measuring women’s ‘worth’*

This narrative was strongly linked with those of human-interest stories and ‘our women are worth it’. A key element linking these was advocates’ arguments that women’s caring relationships, particularly <motherhood>, and their contribution(s) to the ‘worth’ of these women, were absent from Pharmac’s CUA. As noted in Chapter 7, Section 7.3.5, breast cancer and its sufferers are typically “referenced according to gendered discourses of sexual and maternal femininity” (Saywell 2000, 37). Such references can be read in multiple ways.

By insisting on the relevance of non-<economic> values and non-market-based relationships, these narratives supported DA1 and, potentially, DA7. This insistence can be read as resisting

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monetary reductionism, per DA2, in favour of incorporating ‘lay knowledge’ and non-monetary, experiential sources of ‘worth’. Similarly, these challenges to a dominant <economic logic> in the name of a multiplicity of ‘value’ arising not from an <individual> but rather formed in and through relationship, may also be read as supporting DA8. However, when articulated with CBA’s role of <answer machine> – as advocates typically did – their dialogic potential was weakened. For example, even on a generous reading, these narratives did not challenge the subjectivity of CBA’s calculation (DA3) so much as its <exclusion of ‘externalities’>, thereby retaining its hegemonic characterisation as <objective and neutral> and <factual>. In other words, advocates argued via these narratives for *more* inclusions, but left unchallenged how and why CBA’s boundaries were drawn or how ‘value’ was ascribed and measured within them. Such neglect of power relations – including gender relations in stereotypical presentations of women as “wives, mothers, sisters and grandmothers” (M053) – meant these narratives could not satisfy DA6, with consequent negative impacts on DA4 and DA5. Nevertheless, these narratives contained potentially resonant immanent counter-logics of multiplicity, embodied experiential knowledge, and ‘value-through-relation’ that could be developed in articulations with DA to challenge CBA’s grip.

Figure 25 below summarises this analysis visually by ‘plotting’ the hegemonic characterisation of CBA against each principle on an axis of less-to-more dialogic.

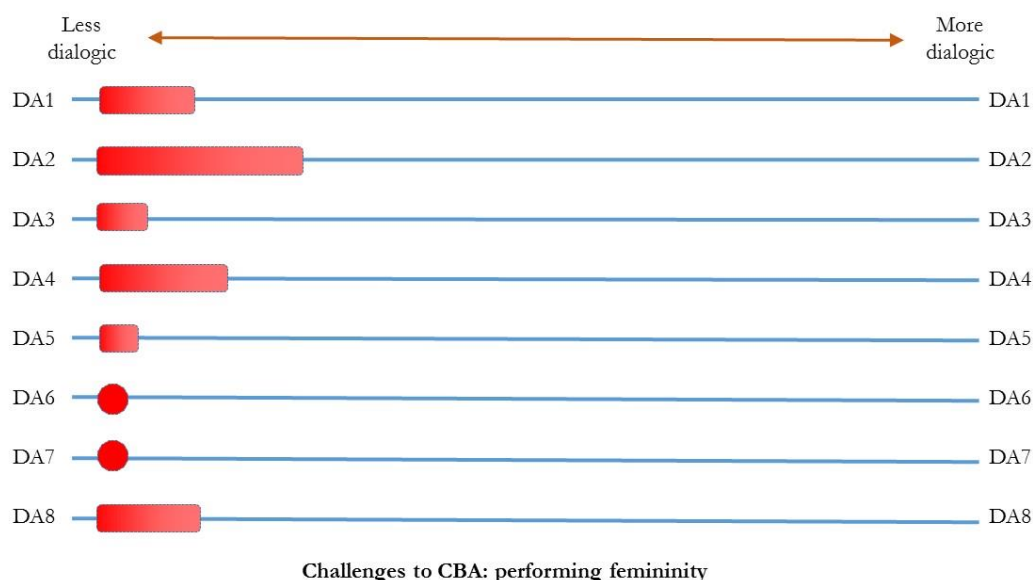


Figure 25: Advocates’ challenges to CBA through the performance of femininity



### Potential for counter-logics

With (much) greater attention paid to power relations (DA6), these narratives offer potentially powerful – and resonant – counter-logics by emphasising non-*<economic>* forms of ‘value’ and assumptions fundamentally different from CBA’s current grounding in welfare economics (see Chapter 3). These could be articulated with DA1 and DA2 to highlight and incorporate a greater multiplicity of values, and with DA7 and DA3 to help develop awareness (and tolerance) of uncertainty and radical contingency. A more dialogic CBA could draw on feminist critiques of accounting to expand on these logics of femininity to enhance CBA’s accessibility to non-experts (DA4) and resist new monologisms (DA8) by problematising women’s worth as arising principally from their stereotypical gendered positioning as ‘wives, mothers, sisters and grandmothers’.

#### ***8.1.4.6 A different expertise: ‘doctor knows best’, or perhaps a scientist does?***

As I laid out in Chapter 7, Section 7.3.6, advocates appealed in this narrative to FLs of medical and/or scientific *<expertise>* to challenge CBA’s hegemonic characterisation as dependent on the *<expertise>* of economists. This appears to challenge the dominant *<economic logic>* of CBA and so supported DA1. However, as I argued in Chapter 7, Section 7.3.6, this narrative simply substituted one *<expertise>* for another as the singular valid *<decision criterion>*, thereby blunting its dialogic potential and closing down rather than opening up the available ideological orientations to a single viewpoint, contra DA7 and DA8.

This narrative strongly challenged CBA’s monetary reductionism, supporting DA2, and denied CBA’s role as *<answer machine>*, and *<cost-effectiveness>* as an appropriate *<decision criterion>*. Indeed, in its most extreme form, it denied any role for cost as a consideration:

*After radiation therapy and chemotherapy, Flett, 41, will begin Herceptin by the end of the month, regardless of the fundraising total. “You do what you’ve got to do” Flett said (M272)*

Such support for DA2 did not challenge the subjectivity or contestability of Pharmac’s calculations of cost (DA3) however. Although advocates employed this narrative to challenge Pharmac’s *relative* weightings of cost and the *<scientific evidence\_proof>* of Herceptin’s benefit when challenging the adequacy of CBA’s *<measurement>*, they remained silent on the subjectivity of those measurements.

The articulations made between this narrative and the ‘active patient’ model of health consumerism (see Chapter 2) were complex: advocates employed it in attempts to obtain their preferred *<choice>* of treatment, a form of active participation congruent with moving toward DA5, but

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simultaneously ceded ultimate authority to medical <experts>, contra DA4. Given those <experts> were the very ones with historic power over patients and whose abuses of that power helped fuel the development of health consumerism, this further limited the dialogic potential of this narrative. This leads me to conclude this narrative was inattentive to power relations, contra DA6. Medical and scientific <expert> knowledge are perhaps no more accessible to non-experts or welcoming to effective participation than that of economics, making this narrative work against DA4 and DA5.

Figure 26 below summarises this analysis visually by ‘plotting’ the hegemonic characterisation of CBA against each principle on an axis of less-to-more dialogic.

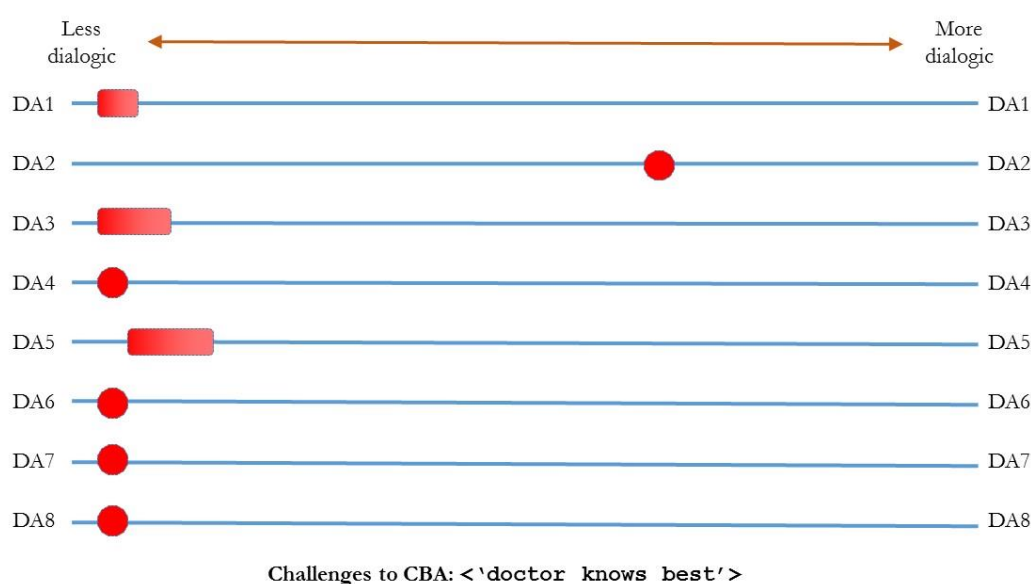


Figure 26: Advocates' challenges to CBA through <'doctor knows best'>

### Potential for counter-logics

This narrative offers limited dialogic potential for counter-logics beyond its challenge to monetary reductionism (DA2). Its disregard for the historical – and ongoing – power imbalances (DA4) between doctors and patients in its retention of <dependence on expertise>, albeit of a different kind than in the hegemonic characterisation of CBA, makes it difficult to imagine how to articulate its elements into a more dialogic form without doing it violence. Instead, I suggest a more dialogic CBA could be better enabled by drawing applicable elements in this narrative (e.g. its challenges to CBA's boundaries) from within articulations.

### 8.2 Ethical critique

*[E]thical critique demands detailed analyses of the kinds of fantasies underpinning social and political practises, as well as the exploration of ways such fantasies can be destabilized or modulated (Glynos and Howarth 2007, 198)*

In this section, I consider the extent to which participants' responses to the dislocation of the Herceptin debate, presented in Chapters 6 and 7, "acknowledged and tarried with" the "radical contingency of social reality and identity" (Glynos and Howarth 2007, 111). I do this by critiquing the FLs at play in participants' narratives and 'plotting' these against the two 'axes' of response to dislocation, political-social and ethical-ideological, described in Chapter 4. For the ethical-ideological dimension, I base this positioning on Glynos and Howarth's heuristic:

*How does a subject relate to the contingency of social life that is disclosed in dislocatory events? ... [D]oes the mode of identification privilege the moment of closure and concealment (ideological dimension) or does it keep open the contingency of social relations (ethical dimension)? (2007, 119-120)*

To position participants' responses on the political-social dimension, I consider the degree to which the FLs they employed publicly contested social norms, for

*[i]nsofar as public contestation does not arise or is eschewed, we say that the social dimension is foregrounded. Insofar as this public contestation is initiated or affirmed through action, we say that the political dimension comes to the fore (ibid, 117)*

The 'mappings' I generated through this process remain provisional and contingent, as "the boundary between the social and the political is not fixed, but in a constant state of flux" (ibid, 117)<sup>159</sup>.

In the next sub-section, I consider the FLs at play against the four dimensions, beginning with the hegemonic characterisation of CBA, then moving to those in the contested characterisations.

#### 8.2.1 Hegemonic characterisation

The characterisation of CBA I offered as 'hegemonic' in Chapter 6 was of CBA as <quantitative>, <objective and neutral>, <factual>, <about economics (and money)>, <dependent on expertise>, and <expected>. In Chapter 7, I argued that these characterisations absorbed uncertainty (see Section 7.1.2.5) and so lacked "attentiveness to the always-already dislocated character of existing social relations" (Glynos and Howarth 2007, 110, original emphasis removed).

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<sup>159</sup> In addition, the boundaries I have drawn here are of course influenced by my own situated positioning and understandings.

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The dominant FLs in this characterisation were <rationality>, <efficiency>, <neutrality>, <objectivity>, <scientific\_evidence\_proof>, and <factuality>. With the (possible) exception of <efficiency> – at least insofar as it related to specifically *economic* efficiency – these logics may be gathered under a logic of ‘scientism’ which, as I discussed in Section 7.1.2.3, may be the defining logic of modern life (Glynos and Howarth 2007, 210). Not only does ‘scientism’ aim at certainty and a law-like understanding of reality, but with its “conviction that science is [...] *the only* form of knowledge” (Glynos and Howarth 2007, 210, original emphasis), responses where these logics are dominant “den[y] and conceal[...].” radical contingency (Glynos and Howarth 2007, 111), and thus were ‘inauthentic’, or **ideological-dominant**, responses. These logics also inhibited public contestation of existing norms, including that of <economic efficiency>, perhaps the ‘signature’ FL of neoliberal regimes (Hamann 2009), making these responses **social-dominant**. This positioning is illustrated in Figure 27 below, ‘mapped’ onto LCE’s four dimensions of potential response to dislocation – ethical-ideological (I-E) and political-social (P-S), as presented in Figure 5, Chapter 4.

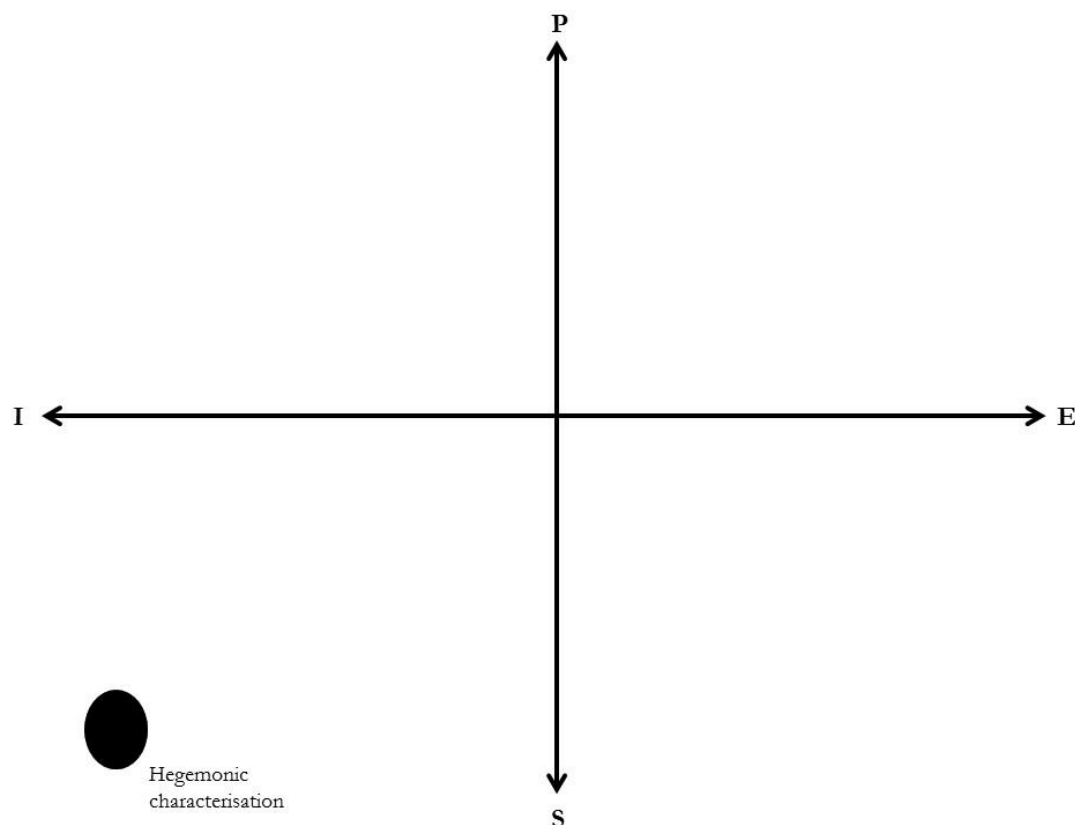


Figure 27: 'Mapping' of hegemonic characterisation of CBA onto LCE's four dimensions of potential response to dislocation

Figure 27 shows the hegemonic characterisation of CBA to be a sedimented, inauthentic response to the dislocation of the debate. Advocates and opponents alike employed the hegemonic

characterisation of CBA in their narratives (see Section 6.2), and so the critique above also applies to these uses. However, participants also moved beyond the hegemonic characterisation in their contestations around CBA, hence I consider these FLs next, beginning with those dominant in opponents' narratives.

### 8.2.2 Opposing the squeaky wheel: ethical critique of opponents' contestations

As I presented in Chapters 6 and 7, opponents leaned heavily on the hegemonic characterisation of CBA in their arguments against funding Herceptin. Having 'mapped' this above, I focus here on the FLs opponents used to supplement that characterisation. Key amongst these were <rationality>, <fairness>, <neutrality>, and <evidence>.

#### Rationality

In their use of a <rationality> FL, opponents attempted to deny <political salience> as a relevant <decision criterion> and to exclude alternative values to <efficiency> as valid considerations. Thus, narratives employing this FL were **ideological-dominant**, privileging closure over openness. Similarly, this logic valorised particular types of <evidence> (see Section 7.1.2.3), closing out 'lay' and 'emotional' forms (Sullivan 2011), such as empathy, as incompatible with <rational> and <efficient> decisions. This took <economic efficiency> for granted as the goal of public policy and so was **social-dominant**.

Opponents also appealed to <scientific\_evidence\_proof> as a <resource allocation criterion> using this logic to point out the uncertainty of Herceptin's benefit and/or its long-term harms, as discussed in Section 8.1.3.2. Whilst this appears open to (some form of) contingency, I argue that it does not in fact "acknowledge[...] and tarr[y] with" *radical* contingency (Glynos and Howarth 2007, 111) for it presents these as definite (i.e. closed in meaning), albeit as yet unknown, and so this formed another **ideological-dominant** response. In not challenging the 'scientism' social norm, this also formed a **social-dominant** response.

#### Fairness

Opponents articulated a FL of <fairness> with that of <national character> to close down rather than open up contingency, making this an **ideological-dominant** response. As noted in Section 8.1.3.1, this FL could have been employed in an ethical response, but opponents used it to minimise the values of advocates and marginalise their perspectives, by pitting their desire for Herceptin against the health needs of the rest of the country. Such a challenge to a social norm of <individualism> forms one of the more **political-dominant** responses in opponents'

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narratives – although it can also be read as **social-dominant**, part of the “somewhat delusional egalitarianism” of life in NZ (Bönisch-Brednich 2008, 7), where “everybody should be the same and if they are not they should, at the very least, pretend to be” (ibid, 6). Given Pharmac’s purpose, such an opposition between the needs of one small group of Herceptin-eligible patients and the health needs of the entire NZ population was perhaps unsurprising, but the ‘others’ to whom fairness was owed had little specificity in opponents’ narratives, forming a mostly undifferentiated mass whose numbers would always outweigh any specific patient group, suggesting that this formed an **ideological-dominant** response.

### Neutrality

The appeals opponents made to a FL of <neutrality> in their arguments presenting <rationality> and <efficiency> as essential to avoid ‘wasting’ resources privileged closure over openness, making this an **ideological-dominant** response. In arguments that presupposed a ‘view from nowhere’, <neutrality> was linked with <objectivity> and offered little challenge to social norms such as <cost-effectiveness> use of <constrained resources>, thus I regard these responses as **social-dominant**.

### Note on Pharmac’s TARs

As noted in Section 8.1.3, a generous reading of Pharmac’s TARs (P016, P018, and their appendices) offered some acknowledgement of contingency, as it recognised that ‘things could be otherwise’. For example, the presentation of <economic ‘externalities’> excluded from consideration by explicitly creating a CUA solely from (i.e. privileging) the DHBs’ (i.e. funders’) perspective suggests an (implicit) awareness that other perspectives would draw different boundaries, resulting in different outcomes. I therefore judge some responses in these items as more ethical than those in other opponents’ items. Nevertheless, the logics involved still aimed at closing down, “privilege[ing] the moment of closure” (Glynos and Howarth 2007, 119-120) and otherwise showing little recognition of *radical* contingency (as opposed to uncertainty). Thus, I judge these responses to remain **ideological-dominant**, but less so than other opponents’ items. Overall, these items aimed to replicate ‘best practice’ in their assumptions, estimates, and so forth, which I judge to be mostly sedimented, or **social-dominant** responses.

These positionings are illustrated in Figure 28 below, ‘mapped’ onto LCE’s four dimensions of potential response to dislocation – ethical-ideological (I-E) and political-social (P-S).

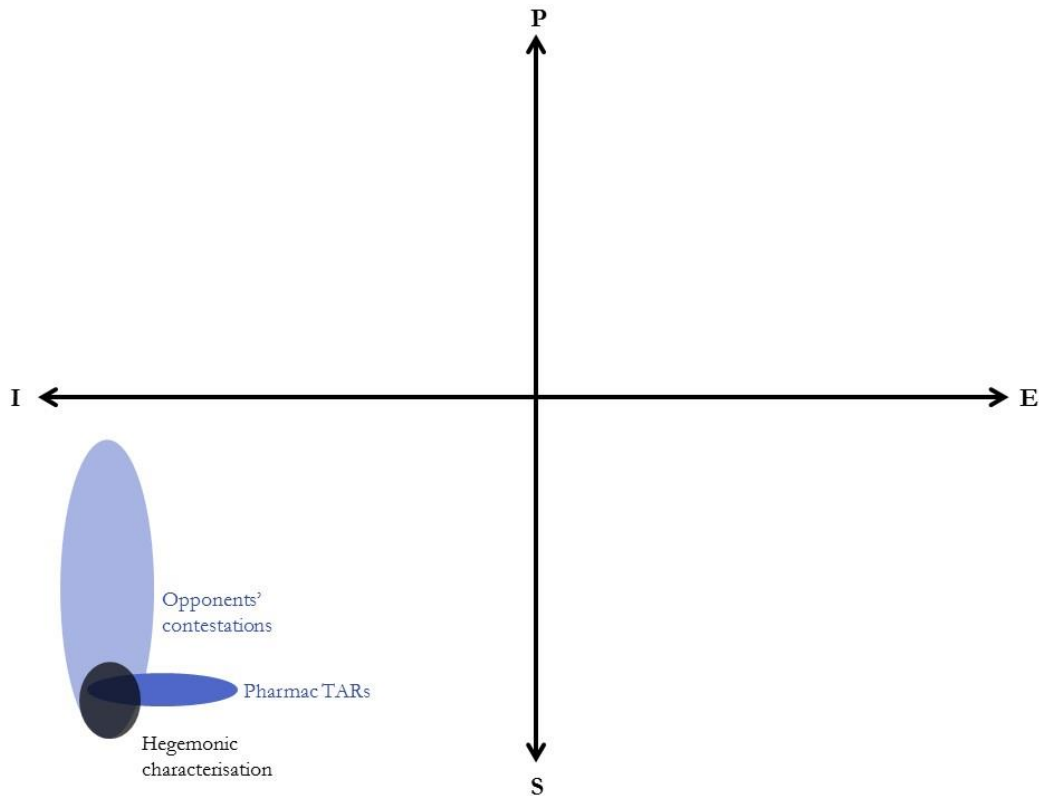


Figure 28: 'Mapping' of opponents' contestations around CBA onto LCE's four dimensions of potential response to dislocation

Figure 28 shows that opponents' contestations included the hegemonic characterisation of CBA but also went beyond it. Overall, opponents' responses were **ideological-dominant** and **social-dominant**, but with a greater variety<sup>160</sup> than in the hegemonic characterisation, especially on the political-social 'axis'. It also shows that Pharmac's TARs offered largely **ideological-dominant** and **social-dominant** responses with a greater range on the ethical-ideological 'axis' than in most opponents' items, due to some elements featuring (implicitly) more ethical FLs.

### 8.2.3 “You do what you've got to do”<sup>161</sup>: ethical critique of advocates' contestations

As I presented in Chapters 6 and 7, advocates also used the hegemonic characterisation of CBA in their arguments for funding Herceptin. As with opponents' characterisations, here I focus on how FLs advocates used in their characterisations of CBA differed from those of the hegemonic characterisation. Key FLs amongst these were <life>, <individual>, <choice>, <family> and <motherhood>, and <'doctor knows best'>.

<sup>160</sup> Note that these positionings are not weighted by count or importance, showing only the ranges of responses.

<sup>161</sup> Breast cancer patient Mhairi Flett, quoted in M272.

### Life

Advocates' narratives drawing on beatific fantasies of <life> (and its corresponding horrific fantasies of <death>) recognised little contingency, conflating treatment with Herceptin with continued <life> and non-treatment with certain <death> in a binary opposition, and so I judge these responses as **ideological-dominant**. Frequently used with <'doctor knows best'>, these narratives presented <scientific\_evidence\_proof> as infallible, a further denial of contingency. This FL reinforced some social norms, such as <family> and <'battling' cancer>, whilst challenging others, such as CBA's hegemonic norm of <economic efficiency> as (main) decision criterion, and it is thus neither social-dominant or political dominant, but a mixture of the two.

### Individual

Advocates' <individualist> narratives recognised little contingency and largely reinforced existing <consumerist> norms, so I judge them to form an **ideological-dominant** and **social-dominant** response. However, when articulated with a FL of NZ's <national character> as egalitarian (see previous section), these narratives appear more political, emphasising the fluidity of the political-social boundary and that one's 'lens' or perspective matters in deciding whether a response is social-dominant or political-dominant in a particular space.

### Choice

On a generous reading, advocates' fantasmatic use of <choice> recognised the existence of other values and/or perspectives, and so, to some degree, it represented an ethical response open to recognising the contingency in the dislocation of the debate. However, as this logic was closely linked in advocates' narratives with that of a <consumerist> <individualism>, it was most often used to close such <choice> to the innate preferences of atomised consumers, making this an **ideological-dominant** response.

As with <individual>, responses employing a FL of <choice> had both **political- and social-dominant** aspects. By challenging the social norm of <evidence>-based decision-making (usually by <experts>), responses using this FL were political, but in reinforcing the "hyper individualised expectation" that "neo-liberal subjects have [...] placed upon them to maximise returns on themselves" (Cooper 2015, 14) they were also social.



### **Family and motherhood**

FLs of <family> and <motherhood> were especially prominent in advocates' narratives of 'our women are worth it', used to argue that Pharmac had (incorrectly) <excluded economic 'externalities'> from its CBA. In arguing for these forms of 'women's worth' to be included in CBA, these narratives retained CBA as <expected> in <resource allocation> and closed down contingency, albeit within different boundaries. As such, I regard these narratives as **ideological-dominant**.

In challenging CBA's boundaries, these narratives challenged a social norm of measuring value in purely economic terms (<economic logic>), in the name of a 'value' arising through relationship and care. Counteracting this, the 'value' advocates wished to include in CBA arose from (mainly) stereotypical feminine gender roles (see Section 8.1.4.5), thereby keeping these social norms intact. In other words, these narratives supported the social norm of CBA as <decisive>, but challenged its norms of content, making these responses both **social and political**, with varying levels of dominance between these on different aspects.

### **'Doctor knows best'**

Despite being often articulated with <choice> and <individual>, this logic deferred decision-making to an authoritative <expert> with little-to-no openness to radical contingency or uncertainty. This closed down rather than opened up, making this an **ideological-dominant** response. In contesting the norm of CBA as <expected>, and its challenge to which <experts> were most relevant (see Chapter 7, Section 7.3.6), this can be seen as a **political-dominant** response, especially coupled with its challenge to a norm of <economic efficiency> as <single allocation criterion>. However, by directly replacing this with medical <expertise> as the sole criterion, it also exhibits **social-dominant** aspects.

These positionings are illustrated in Figure 29 below that 'maps' them onto LCE's four dimensions of potential response to dislocation – ethical-ideological (I-E) and political-social (P-S).

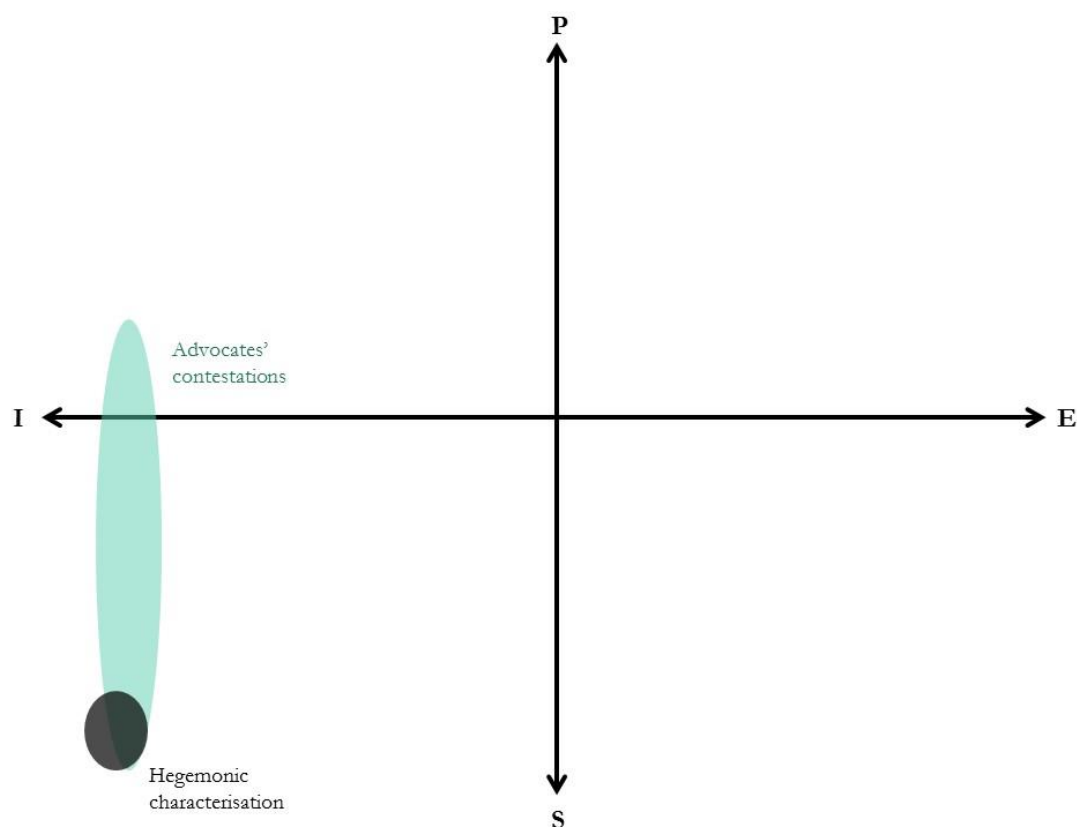


Figure 29: 'Mapping' of advocates' contestations around CBA onto LCE's four dimensions of potential response to dislocation

Figure 29 shows that, like opponents', advocates' contestations included the hegemonic characterisation of CBA but also went beyond it. Overall, I judge that advocates' responses were **ideological-dominant**, showing little-to-no recognition of radical contingency, as with the hegemonic characterisation. Their responses showed greater variation than opponents' on the political-social dimension however, with varying levels of challenge to existing norms: many responses were **social-dominant**, some were **political-dominant**, whilst others were mixed.

Figure 30 below brings together the three previous figures to compare the 'mappings' of the hegemonic characterisation of CBA and opponents' and advocates' contestations. It shows that the hegemonic characterisation is strongly **ideological-dominant** and **social-dominant** and featured in both opponents' and advocates' narratives. Opponents' contestations were predominantly **ideological-dominant** and **social-dominant**, but with some political responses. Pharmac's TAR documents, which are shown separately, also included some elements which, if generously read, could be positioned as more ethical responses. Advocates' contestations were also predominantly **ideological-dominant**, offering few if any ethical-dominant responses, but showed a greater range of political-social responses: whilst I position most as **social-dominant**, others were **political-dominant**, challenging social norms in the name of an ideal.

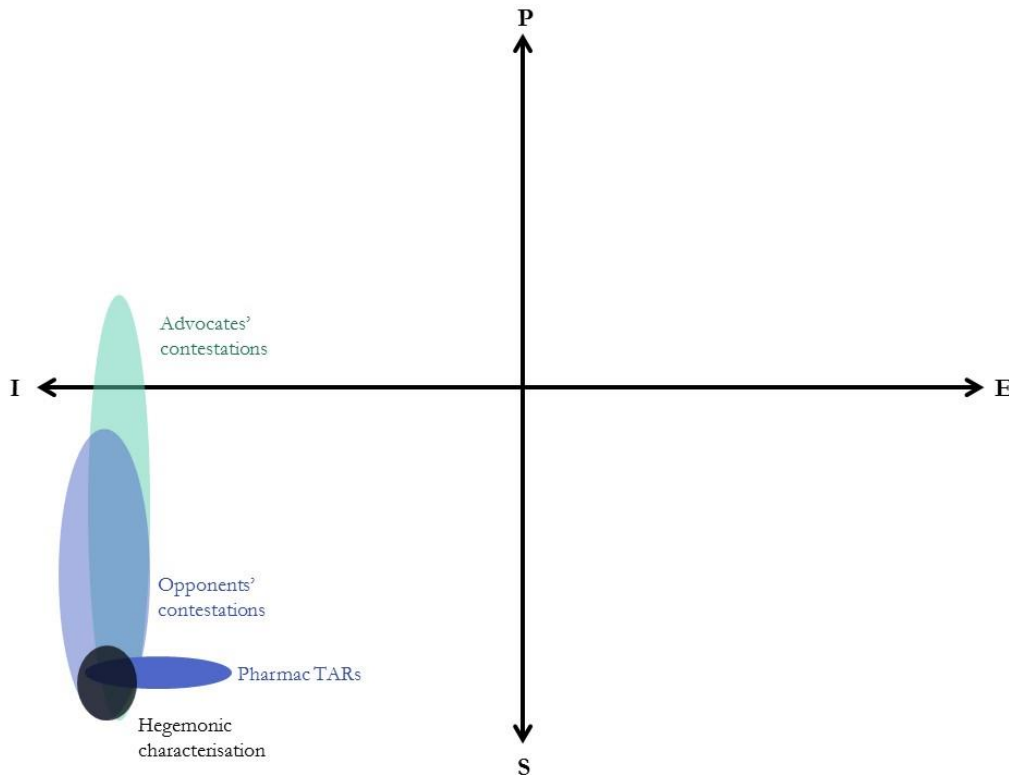


Figure 30: Combined 'mapping' of opponents' presentations of CBA onto four dimensions of potential response to dislocation

Having laid out my analysis of how the FLs in the debate were 'positioned' relative to LCE's 'axes', in the next section I continue this ethical critique by suggesting ways these "can be destabilized or modulated" (Glynos and Howarth 2007, 198) through developing counter-logics, thereby addressing RQ5 – how could things be different?

### 8.3 Reimagining CBA: towards some counter-logics

*[B]eing able to think differently is important, but the ultimate point of critique is not to think differently but to live differently and to organize social life differently ... the point is to 'make life more inhabitable' (Braun 2016, 111)*

In this section, I address RQ5 – how could CBA be otherwise? – through considering how participants' responses to the debate's dislocation might be re-articulated to help align CBA more closely with DA principles. My purpose is to build on the immanent counter-logics in the debate's contestations (outlined in Section 8.1) to propose some counterfactuals aimed at disrupting CBA's grip. Whilst those counter-logics form the base for these, I go beyond them in my re-articulations to incorporate, for example, some critiques of CBA found in the literature surveyed in Chapter 3 but absent from the debate.

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As I noted in Section 8.1.1, the DA project is concerned with “respect[ing] difference, tak[ing] ideological<sup>162</sup> conflict seriously, and [being] sensitive to the complexity of power dynamics” (Brown 2009, 315). This suggests it offers **ethical-dominant, political-dominant** logics that can be articulated with those in the empirics of my study. My aim is to suggest counter-logics that could have moved participants’ responses to the debate’s dislocation from their actual position (in (mostly) the ideological- and social-dominant quadrant of my ‘map’) towards the ethical- and political-dominant quadrant, where I locate DA.

Figure 31 below illustrates this intended movement from the characterisations in the debate towards a more dialogic CBA:

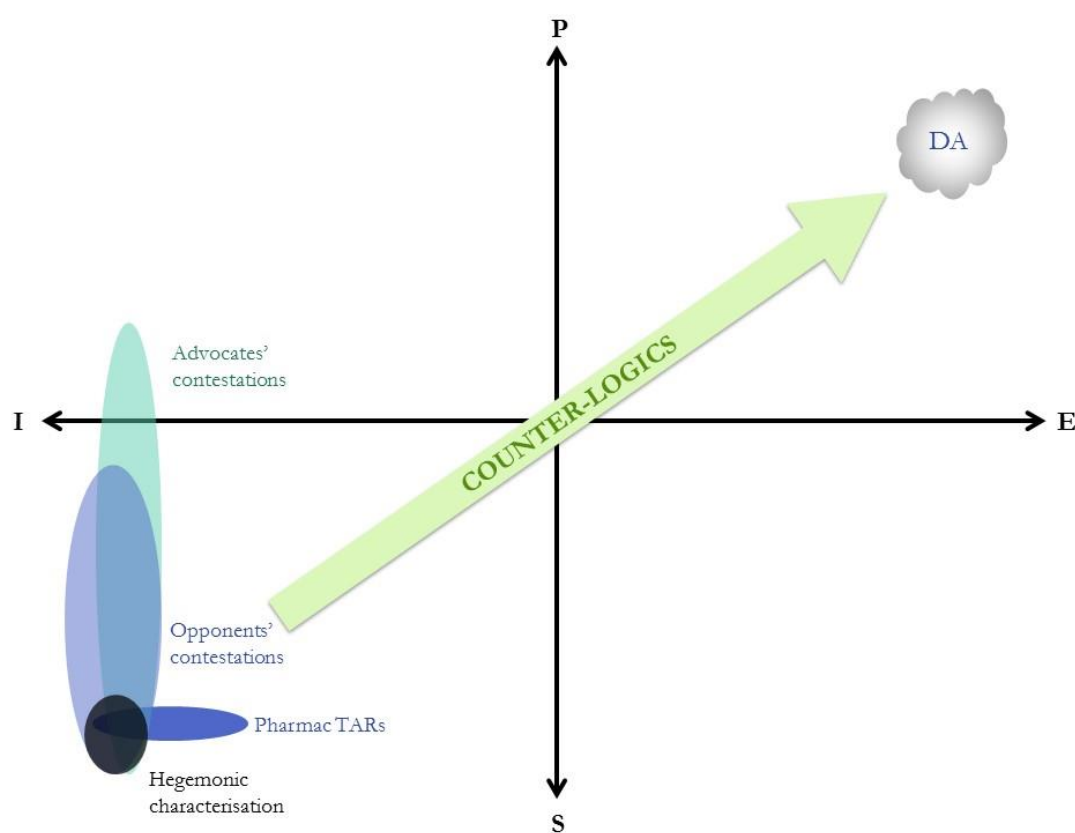


Figure 31: Counter-logics aim towards moving debate responses to dislocation towards DA

Thus, I (re-) articulate normative, ethical, and empirical elements of the debate, LCE, and DA into counter-logics, represented by the arrow, aimed at moving CBA towards DA. I do so whilst explicitly acknowledging the temporariness of my proposed closure of ‘dialogic CBA’. Such closure is necessary to confer meaning, but I endeavour to do this in a way that resists forming new

<sup>162</sup> Remembering the different meanings of ‘ideological’ in DA and LCE (see Section 8.1.1).

monologisms, respecting DA8, and remains ethical (in LCE terms) by staying open to radical contingency and the possibility that things could always be otherwise. How to achieve this? In the next sub-section, I outline one approach, developed by combining the principles of ‘broadening out’ and ‘opening up’ from Brown and Dillard (2014) with understanding decision-making as a promise from Mouritsen and Kreiner (2016).

### 8.3.1 From an ending to a promise: broadening out and opening up to a more dialogic CBA

Brown and Dillard call for more “pluralistic accountings [that] could provide more enabling alternatives” (2014, 1148) to current project appraisal tools like CBA:

*The aim would be to surface a wide range of viewpoints and options, posing questions from divergent and, in particular, currently marginalized perspectives (ibid, 1143)*

They suggest one way to achieve this would be through broadening out inputs to and opening up outputs from these tools, whilst retaining a critical reflexivity towards them by focusing on the practices of broadening out and opening up, namely:

- (1) *recogni[se] divergent socio-political perspectives;*
- (2) *acknowledg[e] the subjective, uncertain and contestable nature of calculations and knowledge; and*
- (3) *address[...] participatory processes and power relations (ibid, 1140-1141)*

Thus it is important to not only increase the **number** or variety of inputs and outputs, but also to bear in mind their intent, form, and effects. Such openness resonates or may be made commensurate with LCE’s concept of an ‘authentic’ (i.e. ethical) response to dislocation (see Chapter 4, Section 4.3.3) and so I bring these together in the following (re)articulations.

One way to capture this openness to uncertainty and (radical) contingency is to incorporate Mouritsen and Kreiner’s recognition that decisions “set[...] things and processes in motion”, altering an already unknowable future in “intended, unintended and surprising” ways (2016, 22):

*The decision is the end of **one** process but starts **many** other processes (ibid, emphasis original)*

They argue that traditional conceptions of decisions view them as “clarifying causalities and predetermining the future” (ibid, 29), much as CBA’s role as <answer machine> was presented in the debate. Whilst not denying this role for decisions, Mouritsen and Kreiner suggest *also* considering decisions as promises – as a beginning, not only an ending:

*Understanding decisions as promises makes it possible to move attention from the things that happen before the decision to the things that happen to the decision. This involves two general shifts: one from the predictive qualities of decisions to the multiple paths between acts and achievements; and another from an emphasis on decision rules to the generation of interesting alternatives to consider (ibid, 29)*

Such an addition would help enable ‘authentic’ responses alive to radical contingency and consistent with DA principles, for

*[t]he decision as promise highlights that the future rather than being perfect prediction is a source of transformation (Mouritsen and Kreiner 2016, 28)*

Figure 32 below borrows from the Leach et al. 2010 diagram in Brown and Dillard (2014, 1131) to show the relationship between broadening out and opening up of accounting technologies and Mouritsen and Kreiner’s (2016) distinction between decisions as prediction and promise.

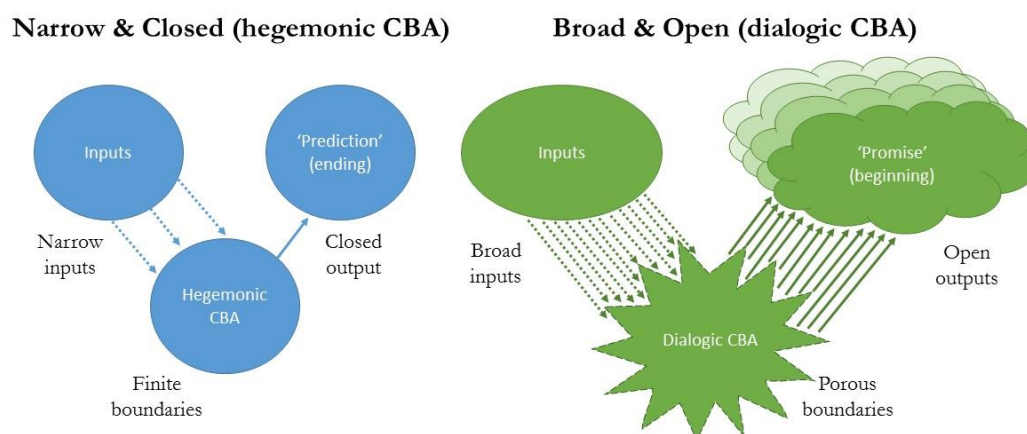


Figure 32: Comparison of hegemonic CBA as prediction and dialogic CBA as promise

Figure 32 illustrates how moving from considering CBA as prediction to CBA as promise helps broaden out and open up a more dialogic form of CBA. Not only does this result in a greater variety of inputs and outputs, but it also helps frame these as contingent and uncertain. It offers “an orientation to the action of the act; its problematical boundaries, its unintended effects, its alternatives, its developing values and its temporality” (Mouritsen and Kreiner 2016, 28) that retains radical contingency as hope<sup>163</sup> as well as uncertainty.

In the next sub-section, I present some counterfactuals based on this approach.

### 8.3.2 Agonistic Possibilities for CBA

*Different logics push and pull us in different directions. They turn us into something different (Mol 2008, 79)*

*[A]ccounting tools themselves are not inherently monologic or dialogic (Brown 2009, 328-329)*

<sup>163</sup> ‘Decision-as-promise’ therefore also shares certain similarities with FLs.

In this section, I imagine what CBA might have been in the debate. I bring together and re-articulate incipient counter-logics, normative and ethical critiques, DA principles, and ‘decision-as-promise’ from the previous sections to suggest three<sup>164</sup> example counterfactuals that could have<sup>165</sup> loosened CBA’s grip by broadening out its inputs and opened up its outputs in different ways.

### ***8.3.2.1 Counterfactual 1: Contestation of cost calculations, or how else could CBA have been contested and defended***

One striking omission from advocates’ narratives, given their contestations of Pharmac’s relative weightings of Herceptin’s cost and benefit in its CUA, and the measurement critiques in Chapter 3, Section 3.1.3, was the lack of challenge to Pharmac’s cost calculations, despite Pharmac’s note that its CUA outputs were “very sensitive” to assumptions about its inputs (P016, p.3) and that the drug’s high cost was a feature of the debate.

Pharmac could, for example, have talked openly in public about the ranges and types of assumptions and estimations it had made in its CUA and why it had chosen these, thus enabling DA3. This would have recognised the power it held as a technical expert, not just a decision-maker, moving towards DA6. This would have enabled greater opportunities for more effective participation (DA5) by other actors by ‘translating’ its CUA model for a lay audience. Similarly, advocates could have challenged Pharmac’s calculations more fundamentally by showing their subjectivity and constructed nature.

### ***8.3.2.2 Counterfactual 2: Multiple and counter-CBAs, or how CBA could have been otherwise***

Pharmac’s CUAs were (and are) constructed explicitly from the perspective of DHBs as funders. Building on the debate’s <fairness> logics, it could have prepared multiple CUAs from different perspectives, with different inclusions and exclusions, moving toward DA1, and offered these for discussion by the different ‘winners’ and ‘losers’ when different boundaries were drawn, moving towards DA5. This would also help move CBA toward DA8 and LCE ethical responses by retaining awareness of their situated nature and contingency, especially if coupled with counterfactual 1’s openness about calculation (DA3). Alternatively (or additionally), advocates could have challenged Pharmac’s CUA by producing their own ‘counter’-CBA(s) from their own

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<sup>164</sup> This is a rather arbitrary number, intended only to give illustrative responses to the three parts of RQ5: how could CBA be otherwise; what other presences, presentations, and roles could CBA have had; and, how else might CBA have been contested and defended. I suggest future research to expand on this (very) small sample.

<sup>165</sup> Indeed, I hope that they still might in future debates, for “a change in framing ... leads to different approaches to what is accounted for, for whom and how” (Brown and Dillard 2014, 1144).

perspectives, incorporating their different assumptions on, for example, the potential multiple sources of ‘value’ beyond the <economic> (see Section 8.2.3) and what was a ‘relevant cost’.

### **8.3.2.3 Counterfactual 3: CBA as ‘learning machine’, or other roles CBA could have had**

In Section 8.1.3.3, I argued that considering CBA as a <‘learning machine’> offered potentially fruitful avenues for developing a more dialogic CBA. Had CBA been understood this way outside of Pharmaco’s narratives attempting to absorb criticism of its CUA, this could have facilitated a more nuanced and less polarised debate, with greater openness to contingency and tolerance of uncertainty. For example, a ‘learning machine’ approach would consider many possible alternative inputs and outputs and move CBA’s focus from getting the ‘right’ (i.e. most economically efficient) answer toward creating space(s) to explore multiple possibilities:

*turn[ing] the decision’s attention to optimality into the promise’s search for alternatives to choose between: there has to be something “interesting” to choose between (Mouritsen and Kreiner 2016, 29)*

My aim in this section was to imagine three counterfactuals that might help move CBA *towards* DA principles, whilst recognising that “realizing alternative approaches in power-laden and resource-constrained contexts remains a key challenge” (Brown and Dillard 2014, 1144). For example, the human-interest media logics I outlined in Chapter 7, Section 7.3.4 and critiqued in Sections 8.1.4.4 and 8.2.3 often work against more open acknowledgement of contingency and uncertainty and more nuanced debate.

## **8.4 Summary and Conclusion**

My aim in this chapter was to address RQ5 – how could CBA be otherwise? I did this by critiquing its presences, presentations, roles, and logics from a normative stance of DA and an LCE ethic of acknowledgment of radical contingency. Then I re-articulated these and other elements into some imagined counterfactuals, or what could have been.

In Section 1, I first reiterated and described the eight DA principles: recognise multiple ideological orientations; avoid monetary reductionism; be open about the subjective and contestable nature of calculations; enable accessibility for non-experts; ensure effective participatory processes; be attentive to power relations; recognise the transformative potential of dialogic accounting; and, resist new forms of monologism. Then I critiqued the debate’s narratives of CBA beginning with its hegemonic characterisation. I found this contained few dialogic elements, confirming Brown’s assessment of CBA as monologic (2009, 328).



I then moved to my normative critique of participants' defences of and challenges to CBA, focusing on where these departed from the hegemonic characterisation. I found some dialogic elements or articulations in both defences and challenges, but most remained monologic. For each defence or challenge, I named some immanent counter-logics which could have moved CBA towards a more dialogic form.

In Section 2, I presented an ethical critique of the logics in the debate, considering “the *way* in which radical contingency [was] or [was] not properly acknowledged and negotiated” (Glynos and Howarth 2007, 198, emphasis original) and the extent to which they challenged social norms. I ‘mapped’ these onto Glynos and Howarth’s (2007) LCE’s four dimensions of potential response to dislocation – ethical-ideological (I-E) and political-social (P-S). I found the hegemonic characterisation of CBA was ideological-dominant and social-dominant; i.e. it did not acknowledge radical contingency or contest social norms. I found that opponents’ and advocates’ narratives both included the hegemonic characterisation and went beyond it.

I found that opponents’ narratives were mainly ideological-dominant and social-dominant, but with a greater range on both ‘axes’ than the hegemonic characterisation. This range was more pronounced on the P-S axis (although not to the extent that I regarded any as political-dominant) than the E-I. Pharmac’s TAR documents were an interesting exception: they showed little challenge to social norms (strongly social-dominant) whilst also displaying the greatest acknowledgement of radical contingency in my sample (although again, not to the extent that I regarded any as ethical-dominant). I found advocates’ narratives were ideological-dominant, showing little acknowledgement of radical contingency but they had a wide range on the P-S axis – some FLs were social-dominant, some were political-dominant, and others were mixed.

Finally, in Section 3 I re-articulated normative, ethical, and empirical elements of the debate, LCE, and DA, aiming to move CBA towards DA and LCE’s openness to radical contingency. I did this by combining Brown and Dillard’s (2014) call for ‘broadening out’ and ‘opening up’ accounting tools with Mouritsen and Kreiner’s (2016) distinction between decisions as prediction and promise. This yielded three illustrative counterfactuals aimed at loosening CBA’s grip. These were: greater and/or more nuanced contestation of Pharmac’s cost calculation; the preparation of multiple and/or counter-CBAs; and, prioritising CBA’s role as a <learning machine>.



## 9. Learning to Hold CBA More Lightly: disenchanting the tool of CBA

*Perhaps we will learn to disenchant our routine ... practices and understand the damage we do. If we do, we may also find ways to avoid or minimize these costs. But we may not – there are limits to what we can foresee, to what we can understand about the effects of our power in the world. For all our good intentions and careful attention to costs and benefits, dark sides, blind spots, biases all will remain with us. As we come to see the dark sides of our work, we will also need to develop new habits of mind, become more able to accept responsibility for the unforeseen and unknowable costs of making our ... visions real in the world. The most interesting test ... comes precisely when we realize we must remain uncertain about where virtue lies and what costs we impose – but when we nevertheless step forward to govern ... building a ... practice which embraces the freedom and responsibility that comes with an ongoing awareness of the dark sides of [virtue] (Kennedy 2005, xix-xx)*

The aim of this study was to explain the grip of CBA in public policy decision-making through investigating its manifestations in a single case study of the narrative uses of CBA in public debate between 2006 and 2008 around the public funding for Herceptin for early HER2+ breast cancer in NZ. My research objectives, outlined in Chapter 1, and empirical analyses, presented in Chapters 6, 7, and 8, were informed by the critical post-structural discourse theoretic logics approach of LCE (Glynnos and Howarth 2007) and the principles of dialogic accounting (Brown 2009). In this project, my overall goal has been to encourage CBA's users and audiences to relax CBA's grip and hold it more lightly, to 'disenchant the routine practices' of CBA, and remain open to its radical contingency – and to bear the discomfort this creates.

In this chapter, I summarise my main findings from this study, identify its contributions and (some of) its limitations, and highlight some opportunities for future research, before closing with some final reflections.

### 9.1 Addressing RQ1: characterising CBA and the role(s) it played in the debate

#### 9.1.1 Presences and characterisations

In Chapter 6, by examining the language participants used, I found that items in my archive sourced from opponents used more technical language than those sourced from advocates, whilst both used more technical language than items sourced from media, although many terms occurred in all three item categories.

Also in Chapter 6, I identified a set of characterisations shared by participants across the debate (i.e. that they articulated into the same or similar meanings) – as the 'common-sense' or 'normal' understanding of CBA and argued that together these formed a hegemonic characterisation of

## Chapter 9 – Disenchanted CBA

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CBA. These elements were: <expected>, <quantitative>, <objective and neutral>, <factual>, <about economics (and money)>, and <dependent on experts>, a characterisation largely consistent with the claimed benefits of CBA found in the literature canvassed in Chapter 3.

Also in Chapter 6, I identified several other characterisations of CBA used mostly by one ‘side’ of the debate or another. I found that, even as they differed from the hegemonic characterisation, these ‘partisan’ characterisations often drew upon it, suggesting that its grip was indeed very strong, even for those who challenged it. These ‘partisan’ characterisations differed on five key elements: whether CBA was the sole (or main) <resource allocation criterion> or just one of several; whether CBA was <fair>, and to whom <fairness> was owed; whether CBA could be adequately <measured>; whether CBA should <include economic ‘externalities’>; and what kind of <expertise> was most important.

I found that advocates of funding tended to characterise CBA as the dominant or <single allocation criterion> in Pharmac’s funding decisions; as <unfair>, sometimes for reasons consistent with the distributional critiques of CBA presented in Chapter 3 (Section 3.1.3), but also sometimes for reasons – such as the loss of consumer choices – that sat less easily with other more challenging critiques of CBA, but which are nonetheless consistent with concerns in the literature over who and what has ‘standing’ in CBA, or what I termed the ‘boundary critique’ in Chapter 3. I found advocates expressed <medium confidence> in the measurement of (this particular) CBA, arguing that Pharmac had under-stated Herceptin’s benefit, but over-stated (or, more precisely, over-weighted) its cost. This characterisation reflected some critiques of the difficulties of measuring CBA and its methodological difficulties, outlined in Chapter 3, Section 3.1.3, but displayed a trust in the ‘true value’ of CBA that seems unwarranted given the other difficulties canvassed in that chapter. Finally, advocates also characterised CBA as wrongly <excluding ‘externalities’>, again consistent with at least parts of the ‘boundary critique’ in Chapter 3.

In contrast, I found that opponents of funding tended to characterise CBA as just one of <multiple allocation criteria>, as well as a <fair> (or at least, fairest available) means of obtaining the most ‘health’ from a fixed budget, equating <fair> with <cost-effective>, consistent with the argument for CBA presented in Chapter 3, Section 3.1.2 that it can be used to put “scarce resources [...] to the greatest social good” (Arrow et al. 1996, 221). I found that opponents, like advocates, expressed <medium confidence> in the measurement of CBA, but for different reasons. Where advocates accused Pharmac of prioritising cost over

evidence of benefit, opponents expressed doubts about the <quality of inputs>, consistent with some of the ‘difficult questions’ of measurement outlined in Chapter 3, and presenting (this particular) CBA as the best estimate possible in the circumstances. Unlike advocates, opponents tended to regard the <exclusion of ‘externalities’> as appropriate, reflecting the connection I made in Chapter 2 between the economy as privileged signifier and the spread of CBA. Finally, I found that opponents largely opted out of directly contesting <expertise>, relying on the hegemonic characterisation of CBA as <about economics (and money)> and <objective and neutral> to barely respond to advocates’ narratives of <‘doctor knows best’>.

### 9.1.2 Roles

Finally in Chapter 6, I analysed the roles CBA took in the debate, basing my categorisations on those outlined for accounting by Burchell et al. (1980). I found that all four roles – <answer machine>, <learning machine>, <ammunition machine>, and <rationalisation machine> – were present in the debate, with the <answer machine> role dominant, possibly hegemonic, being used by both ‘sides’ and by commentators as the main ‘common-sense’ understanding of its role. Opponents, especially Pharmac, however, often preferred <learning machine>, linking this with their characterisation of CBA as one of <multiple allocation criteria>. I found the role of <ammunition machine> was important to the advocates’ narrative I termed ‘Pharmac as cancer’s collaborator’ (see Chapter 6, Section 6.3.1.5) in which advocates positioned CBA as a ‘weapon’ deployed against them on the ‘battleground’ against cancer. Whilst present, I found the role of <rationalisation machine> played a minor part in the debate. This was surprising – advocates and opponents differed in their objectives and the relationship between cause and effect was uncertain, circumstances in which Burchell et al. suggest this role should have prevailed (1980, 14). Finally, I argued that the conflict between the role metaphors used by different participants helps explain how participants appeared to be talking about the same thing whilst in fact talking past one another.

## 9.2 Addressing RQ2: How CBA came to be as it was in the debate

In Chapter 2 I offered a genealogically-inflected history of the Herceptin debate, to “address[...] the emergence and descent of [its] discourse and procedures” (Hook 2005, 28), augmented by Section 3.2 of Chapter 3, which offered a similarly genealogically-inflected history of the use of

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CBA in public policy decisions to explore how the roles and characterisations presented in Chapter 7 came to be.

The time and place of CBA's beginnings in public policy decisions are disputed, although many accounts have common threads. One of these was that CBA was presented as being introduced through a desire to reduce the influence of politics (and politicians) on resource allocation decisions (Porter 1995), helping explain CBA's possibly hegemonic characterisation as an <answer machine>. CBA was understood to achieve the desired replacements of <objectivity> and <neutrality> through quantification (because numbers were regarded as objective) and preparation by experts (whose professional skills made them neutral). Thus the hegemonic characterisations of CBA as <quantitative> and <dependent on expertise> were present, and linked, from the very beginning.

A second commonality in CBA's history was the increasing influence of welfare economists as already difficult measurement issues (see Chapter 3, Section 3.1.3 for examples) were exacerbated as intangible costs and benefits were increasingly expected to be included by, for example, the US 'Green Book' (see Marglin 1967). Welfare economics offered "intellectually serious and practically useful" ways to quantify intangibles (Porter 1995, 187), promising legitimacy through 'converting', for example, new recreational uses of hydro lakes or the loss of animal habitats into 'utility', which could be valued using market methods like WTP or CV (see Chapter 3, Section 3.1.3.1). This helps explain CBA's hegemonic characterisation as <about economics (and money)>.

The increasing influence of welfare economists was both reflective and enabling of a "broad trend" of quantification-aided Taylorist management of both public and private sectors during the 20<sup>th</sup> century (Porter 1995, 187-188), with associated demands for 'evidence-based policy' (Sullivan 2011). These demands were formalised in the US by President Reagan's Executive Order 12,291, which required a positive CBA for all new regulations. This order, which "sought to impose an "economic grid" on all policy decision making" (Fischer 1990, 167), was strengthened by Reagan's successors: now, "it seems natural to use CBA as an aid in choosing how to spend scarce financial resources" (Cordes 2017, 99), helping account for its characterisation as <expected>.

Similar discourses of prioritising "the economy, greater government efficiency, and the reduction of the welfare state" (Scott 1996, 6) were dominant in the NZ public sector reforms of the 1980s and 1990s, as I laid out in Chapter 2, Section 2.2.1.1. Once radical, these discourses have become orthodoxy, as have the assumptions of the theories – agency theory, institutionalism, and public choice theory – underpinning the reforms (Scott 1996, 11-12). These assumptions included that people are individuals in a zero-sum competition with each other for finite resources, exhibiting

self-interested behaviour, and making rational choices. These, together with a change in political power to the so-called “‘gimme’ generation” “in tune with the psychology of individual freedom” (James 2015, 40, 92) helped embed logics of <individualism> and <efficiency> within the structures and routine practices (including CBA) of the public sector, sedimenting these through repetition.

In Chapter 2, Section 2.2.3, I offered an account of the NZ healthcare system, to show how CBA became important in healthcare funding decisions. I argued that healthcare has a complex, politically-charged history in NZ, and at the time of the debate was emerging from a long period of frequent, often radical, change. Structural and funding changes during and after the 1980s and 1990s reforms “imprint[ed] a vision of the market upon state and civil society”, within which only “individual and market concepts [...] were able to gain any purchase and expression” (Lunt 2008, 410), challenging, though not usurping, the historical power of the medical profession, which helps account for the <'doctor knows best'> logic used by advocates to challenge CBA. Along with a rise of health consumerism (see Chapter 2, Section 2.2.4.2), this also helps explain their <individualist> and <consumerist> challenges.

In Chapter 2, Section 2.2.4.4, I laid out a partial history of two major participants in the debate, Pharmac and BCAC, to argue that this shaped their characterisations of CBA. Pharmac's characterisation of CBA as an <objective and neutral>, <efficient> resource allocation tool may be linked with its original purpose of arresting an accelerating pharmaceuticals bill through increased competition (PHARMAC n.d.-c) and its establishment in 1993 as part of the ‘corporatisation’ of NZ's public sector (see Chapter 2, Section 2.2.3). Its characterisation of CBA as <fair> (to others) as a consequence may be understood through its statutory obligation to obtain “*the best health outcomes ... reasonably achievable ... within the ... funding provided*” (*New Zealand Public Health and Disability Act*, s47), putting different interventions and different groups of patients in competition with each other for funding. BCAC's characterisations of CBA as <unfair> (to individuals) and an <answer machine> deaf to <scientific\_evidence\_proof> may also be linked to its history. An umbrella group mainly composed of current or former breast cancer patients, it was formed to advocate for improved (and more) breast cancer care, giving it a single, <individualist>, and <consumer>-oriented focus. “[A] well-organized and effective lobby group” (Manning 2014, 46), with a research scientist as Chair, BCAC used the media and its tropes skilfully to present CBA as an <answer machine> that ignored <scientific\_evidence\_proof> of Herceptin's benefit because of its high cost.

### 9.3 Addressing RQ3: How CBA was contested and defended in the debate

In Chapter 7, I laid out several narratives that participants used to defend and contest CBA, connecting these with the ‘partisan’ characterisations from Chapter 6. I found that the defences of CBA relied heavily on the hegemonic characterisation, but also defended it as a means of making <rational> decisions and denying <political salience> (the ‘squeaky wheel’) as a relevant <resource allocation criterion>. Opponents defended CBA by making appeals to FLs of <fairness> to others, the egalitarian NZ <national character>, and <neutrality> of decision-making, and the <learning machine> role of CBA, which helped defend both the decisions against funding and the use of CBA by diffusing responsibility for those decisions away from CBA. Opponents employed these narratives to offer audiences horrific fantasies of unlimited health demands exhausting available funds, with others suffering as a consequence if those funds were used on Herceptin.

I found that advocates offered a greater variety of challenges to CBA than the more-or-less consistent defences offered by opponents and that these challenges both drew on and attempted to subvert the hegemonic characterisation of CBA. I found they appealed to FLs of <individual> <choice> and <consumerism> to which Pharmac’s CUA represented an obstacle and, by framing CBA as an <answer machine>, drew on horrific fantasies of <death> and <cancer as ‘enemy’> to frame <cost as [the] obstacle> to the fulfilment of beatific fantasies of <life>, cure, and health.

I found that advocates drew on, reproduced, and reinforced the hegemonic characterisation of CBA as <about economics (and money)> in their arguments that “our women are worth it” (M086) by presenting Herceptin, at least implicitly, as an <economically efficient> use of resources, even as they argued against <economic efficiency> as an appropriate <resource allocation criterion>.

I found that advocates also contested CBA by appealing to an FL of <fairness>. Contrary to opponents, advocates argued that <fairness> was owed to individuals, resonating with FLs of <individualism> and <consumerism> and linked to a beatific fantasy of an “autonomous, freely choosing self” (Peters 2001, 67), frustrated by what advocates represented as CBA’s <answer machine> unfairly denying an individual’s ‘right’ to choose.

I found that advocates grounded many of their narratives in personal experience, fitting their stories to familiar media ‘frames’, which I argued lent them a credibility and recognisability that elicited stronger experiences of *jouissance* in their audience(s) than Pharmac’s more abstract



reasoning of overall utility. Advocates, especially BCAC, used the media skilfully, telling compelling stories of sympathetic individuals pitted against a heartless, faceless bureaucracy. Such overtly emotive campaigning was effective, eliciting sympathy and other conscious emotions and affect, which Riedner argues encourages the sedimentation of the values these stories express, including <individualism> (2015, 13).

When considering advocates' narratives challenging CBA's <exclusion of economic 'externalities'>, I found that they argued one source of women's 'worth' advocates excluded from Pharmac's CBA was derived from <motherhood> and <family>, drawing on some of the boundary critiques in the literature presented in Chapter 3 as well as SLs of expected gender roles. I linked this with the media frame of 'mandatory Momism' (Eliasoph 1998, 183), but suggested it could also be read as a knowing use of a 'shortcut' to media attention and consequently advocates' narratives of 'our women are worth it' need not be read as a straightforward reinforcement of 'economy' as a privileged signifier, but also as challenging or resisting these sedimented gender roles, by offering a beatific fantasy of women as workers as well as mothers. I also argued that advocates' personal interest narratives can be read in similarly multiple ways: whilst (usefully) fitting media SLs, they also challenge the <evidence> hierarchy noted by Sullivan (2011) through insisting on the relevance of 'lay knowledge' and bodily experience, further challenging CBA's <exclusion of 'externalities'>.

The final advocates' narrative challenging CBA was concerned with which <expertise> was most important. I found advocates reinforced CBA's <dependence on experts> through their mobilisation of the FL <'doctor knows best'>, which I argued drew on the historical power and authority of medical doctors (see Chapter 2) in an attempt to displace the <expertise> of economists and accountants (i.e. <about economics (and money)>) in favour of that of medical professionals (<'doctor knows best'>) and/or research scientists (<scientific\_evidence\_proof>).

### 9.4 Addressing RQ4: Accounting for CBA's continued grip

To account for CBA's continued grip, in Chapter 7 I analysed the logics at play within the debate, focusing on FLs and their likely resonances with their audience(s), since fantasies that evoke stronger embodied experiences of *jouissance* in subjects generate greater grip (see Chapter 4 for the link between these). I argued that debate participants were attempting to fill the lack(s) generated by the uncertainties inherent in allocating resources intended to achieve intangible outcomes in a future that cannot be definitively known. I explored some sources of CBA's grip by analysing the

FLs associated with its hegemonic characterisation as <expected>, <quantitative>, <objective and neutral>, <factual>, <about economics (and money)>, and <dependent on expertise>, linking these with the genealogical history of the debate in Chapter 2 and of CBA in Chapter 3.

I argued that CBA resonated with particular powerful discourses at particular times in its history and that this helped lead to its normalisation and sedimentation to the extent that alternatives were marginalised and CBA became <expected>. I argued that these discourses included: 20-plus years of neoliberal ideology resonating with FLs of <rationality>, <efficiency>, and <neutrality>; the economy as a privileged signifier within these discourses, allowing elements like CBA associated with it to ‘borrow’ some of its power and persuasiveness (Lee 1992); the history of CBA resonating with the valorisation of ‘evidence’ as a means of reducing political interference in resource allocations and its associated FLs of <rationality> and <numbers as objective>; the persuasiveness of numbers owing to their ability to absorb uncertainty and make what was ambiguous (appear) concrete (<numbers as objective>), as well as being regarded as intimidating and the province of <experts>; and a desire to de-politicise resource allocation. I argued that the hegemonic characterisation of CBA effected this de-politicisation by ‘hiding’ its normative aspects and assumptions within its technical <quantitative> models such that these get taken for granted, smoothing over dissent and conflict. In other words, CBA’s hegemonic presentation eases the psychological distress produced by radical contingency by ‘black-boxing’ it; that is, by giving the appearance of “render[ing] the future knowable, calculable, and amenable to control” (Miller 2001, 391), CBA transforms resource allocation decisions from normative questions into technical ones.

### 9.5 Addressing RQ5: How CBA might be otherwise

In Chapter 8, I critiqued the narratives laid out in Chapter 7 that participants used to defend and contest CBA. This critique had two parts – a normative critique based on the principles of DA, as presented by Brown (2009), and an ethical critique, specific to LCE, that included ‘mapping’ these defences and contestations on to the ‘axes’ of ethical-ideological and political-social, according to the degree to which they “ke[pt] open the contingency of social relations” and foregrounded the “public contestation” of social norms, respectively (Glynos and Howarth 2007, 120, 117).

I found few dialogic elements in the contested narratives. They were almost all ideological-dominant and social-dominant; that is, they were inattentive to radical contingency and offered little public challenge to existing social norms. I did however identify potential counter-logics

immanent in the debate's contestations as a base for proposing how CBA could be otherwise, re-articulating these with DA principles and other elements (e.g. critiques of CBA found in the literature surveyed in Chapter 3 but absent from the debate), to imagine three counterfactuals aimed at disrupting CBA's grip and move CBA towards DA principles.

The first counterfactual I proposed was for the greater contestation of Pharmac's cost calculations. Building on the critiques of CBA's measurement outlined in Chapter 3, Section 3.1.3, I suggested that instead of accepting Pharmac's cost figures at face-value, or saying simply they were wrong, advocates could have drawn attention in its challenges to the number and subjectivity of estimates in CBA. Alternatively, Pharmac could have opened these discussions itself, laying out its reasoning for its choices and assumptions. I argued that this would have enabled DA principles DA3 (openness of calculations), DA5 (more effective participation), and DA6 (attention to power relations), the last especially so had Pharmac initiated this.

The second counterfactual I proposed was for multiple and counter-CBAs to have been prepared, building on the debate's <fairness> logics. Instead of a single CBA prepared solely from the standpoint of DHBs (funders), Pharmac could have prepared multiple CUAs from different perspectives, with different inclusions and exclusions, and offered these for discussion. Alternatively (or additionally), advocates could have produced their own counter-CBA(s) from their own perspectives, incorporating their different assumptions. I argued that this would have enabled DA1 (recognising ideological multiplicity), DA5 (more effective participation), and DA8 (resisting new monologisms).

The third counterfactual I proposed was to regard CBA as a <learning machine>. Building on Pharmac's arguments against CBA's <decisiveness>, I suggested that re-conceptualising CBA's role in this way could have moved it away from trying to get the 'right' (i.e. most economically efficient) answer toward creating space(s) to explore multiple possibilities. I argued that this could have facilitated a more nuanced and less polarised debate with greater openness to contingency and tolerance of uncertainty, enabling all eight DA principles.

Finally, I sounded a note of caution about the difficulty of moving a monologic technology like CBA toward a more dialogic form, recognising that "realizing alternative approaches in power-laden and resource-constrained contexts remains a key challenge" (Brown and Dillard 2014, 1144).

Having summarised my findings from this study, I turn next to outlining contributions it has made.

### 9.6 Contributions

My overall objective for this research was to disrupt the fantasy of CBA and encourage it to be held more lightly – to reduce its ‘ideological’ hold (Glynos 2001, 2008a). I attempted to draw renewed attention to its comforting illusion of certainty and to offer counter-logics to empower those who might wish to challenge it at a more fundamental level than ‘that number is wrong’. In search of this objective, my study has made an original contribution to knowledge in several ways.

First, it introduced an affective dimension to the understanding of the grip of accounting technologies, such as CBA, extending the ‘affective turn’ (Clough 2008) recently taken within the accounting literature. Second, it introduced the logics approach of LCE to the accounting literature, whilst also contributing to the interdisciplinary and methodological development of LCE via a novel application and the development of a heuristic for identifying the different types of logic. Third, it contributed to the problematisation of CBA, by developing counter-logics emphasising the radical contingency of its calculation and new ways to challenge its ideological hold. Fourth, and finally, it further developed the political logics and counter-logics of CBA by articulating these with DA principles and so contributed to the development of dialogic accounting theory and practice.

### 9.7 Limitations

Just as the routine practices of CBA have “dark sides, blind spots, biases” (Kennedy 2005, xix), so too do those of research. In this section, I discuss in four parts those I have identified so far in this study: research paradigm(s), research focus and design, research strategies employed, and normative framework.

#### 9.7.1 Research paradigm(s)

I locate my study within the interpretivist and critical research paradigms and I use a discourse-analytic research strategy, making it subject to the limitations of these approaches. The most common criticisms of these are that they are subjective, lack rigour, and produce non-generalisable results. However, these paradigms do not view subjectivity as a limitation, but accept and affirm it, regarding it as central to “access[ing ...] the lived reality of individuals” (Morgan & Drury, 2003, 74). Nevertheless, such subjectivity introduces another limitation – the accessibility to self-insight of my own ontological and epistemological assumptions and understandings, in order to explicitly incorporate them into any explanation I construct. I laid out in Chapter 5, Section 5.3 how I

addressed this through adopting a reflexive, self-critical, and dialogic stance as far as possible, but I must accept and acknowledge that some (perhaps much) of my own subjectivity inevitably escaped such cognitive ‘capture’<sup>166</sup>.

Objectivity, rigour and generalisability are often held as the ‘hallmarks’ of (good) positivist research, but are difficult to transpose to other paradigms (Chua 1986). For non-positivist work, Whitemore et al. (2001) suggest ‘validity’ as a more useful standard and offer a synthesis of criteria developed by qualitative researchers against which this may be evaluated. They regard the primary criteria of validity for qualitative research as credibility, authenticity, criticality, and integrity<sup>167</sup>. Credibility is concerned with whether the account given is believable; authenticity with whether it is true to the multiple ‘voices’ involved; criticality with critical, non-dogmatic engagement with the data; and integrity with a commitment to honesty and reflexivity, “as well as a humble presentation of findings” (Whitemore et al. 2001, 531). I have endeavoured throughout my study to meet these criteria, but must defer to the reader’s judgement on whether I have succeeded.

### 9.7.2 Research focus and design

Two further limitations arise from the focus and design of my study. The first is how its specificity restricts the generalisability of its findings by focusing on a specific set of decisions (whether to fund Herceptin) made in a particular socio-political context (NZ, 2006-2008). However, generalisability is not an aim of my study, which was concerned with understanding “meaning and interpretation in [an] individual case[...].” (Janesick 1994, 217). Rather, I wished to explain, persuade, and intervene in this specific case, aiming for a ‘deep’ rather than a ‘general’ understanding. The decision I took to focus solely on ‘technical’ CBA (see Chapter 5, Section 5.5.3) introduced a further limitation. Whilst I felt constraining the scope of my analysis was necessary, it limits further the generalisability of my findings. Nevertheless, LCE’s concept of articulation (see Chapter 5) may permit the application of some parts of my findings to other cases, if carefully articulated with their specifics.

A second focus and design limitation I have identified is that my study has a political objective, namely to reduce CBA’s ideological ‘grip’ and encourage it to be ‘held more lightly’. I regard this as consistent with situating my research within the critical paradigm, which is oriented toward “the

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<sup>166</sup> As stressed in Chapter 4, this is because subjectivity is “always *embodied* in material practices” (as modes of *jouissance*) and thus “not completely reducible to conscious apprehension” (Glynos and Howarth 2007, 120, emphasis original).

<sup>167</sup> They also suggest these be supplemented by secondary criteria: explicitness (clarity of expression in, for example, justifying methodological decisions), vividness (richness of data presented), creativity (appropriate innovation and imagination), thoroughness (comprehensive and adequate), congruence (consistency and correspondence between elements) and sensitivity (concern for ethics, human dignity, and context). Further, selecting techniques appropriate to the context and undertaking also contributes to validity (Whitemore et al. 2001)

identification and removal of domination and ideological practices” (Chua 1986, 622), whilst acknowledging it will make some uneasy.

### 9.7.3 Research strategies employed

The third and final area of limitation lies in the research strategies selected. Discourse analysis is a fragmented field (Henn et al. 2009, 263), with few agreed methods. It relies on a researcher’s understandings and interpretations of the meanings in the discourse/s studied, requiring her to ‘look beyond’ their surface meanings. Such ‘looking beyond’ is necessarily limited by the researcher’s own limits of understanding and knowledge. Although this may be mitigated by broad and eclectic readings, and an explicit stance of openness to alternative meanings – both of which I did my best to implement – it cannot be eliminated. My secondary selection strategy of categorising items to code in full or part by ‘relevance’ (see Chapter 5, Section 5.5.4) introduced a further layer of subjectivity and specificity in this regard.

Still further limitations arise from my choice of documentary analysis as my main research strategy. Documentary analysis is limited by issues of ‘selective deposit’ and ‘selective survival’, which may lead to data omissions through first, “unrepresentative” data being stored and, second, not all data surviving storage or being available for analysis (Henn et al. 2009, 120-121). This limitation is somewhat mitigated by my study not having representativeness as a goal, and by careful attention to search strategies (see Chapter 5), but it remains real. Also, for some, face-to-face interviewing appears to be the “gold standard” of data collection in qualitative research (McCoyd and Kerson 2006, 400) and in opting for documentary analysis, I sacrificed the potential richness of interview data and the interactivity it offers. However, as the events I studied occurred some time ago, documentary analysis permitted me to access contemporary discourses unmediated by memory, as well as to sources (e.g. Pharmac’s CUA) difficult to access by present-day interview.

### 9.7.4 Normative framework

Aware of the non-necessity of any particular normative position, I opted to explicitly ground this study in the eight principles of dialogic accounting (DA), as outlined by Brown (2009), generating related limitations for the normative critique I developed in Chapter 8, Section 8.1 and the counter-logics I offered in Section 8.3. In particular, DA’s pluralistic foundation, especially in combination with my objective of encouraging CBA to be ‘held more lightly’, risks being (mis)construed as tolerating CBA as-is, albeit de-centred or ‘disenchanted’: pluralist frameworks, like DA, have been criticised as relativistic, “politically quiet”, and unsuited to generating radical change (Tinker et al.

1991, 31). Yet this would be to conflate different ‘generations’ of pluralism and mistake these as identical, ignoring important distinctions between them (Brown 2017). The DA principles are founded in the ‘third generation’ of pluralism, combining post-structuralism and agonistic democracy<sup>168</sup>, within which

*democratic politics is not about negotiating compromises among competing pre-given interest groups [...] nor about reaching a rational moral consensus without exclusion [but about] active engagement with adversaries, [not a] depoliticizing liberal tolerance that means accepting ideas or practices we disagree with (Brown 2017, 38-39)*

Thus, this generation of pluralism denies “an anything goes relativism” (Brown 2017, 33)(Brown 2017, 33) in favour of “open[ing] up and facilitate[ing] agonistic confrontation between the dominant hegemony and alternatives” (ibid, 38, n37). Within this agonistic confrontation, dissensus and conflict offers a valuable means of re-politicising taken-for-granted norms (Brown and Tregidga 2017), such as CBA.

Whilst some of these limitations are inescapable, others present future research opportunities, and so I suggest some possibilities for these in the next section.

## **9.8 Potential Future Research Opportunities**

Future research could incorporate the proto-explanation for CBA’s grip I developed in Chapter 7 into participatory work involving participants in the Herceptin debate and others interested in challenging CBA, including working with them to further develop the counter-logics from Chapter 8. Not only would this contribute to the future development of counter-logics, but also could form part of the evaluation by and intervention with “the agents being studied” (Glynos and Howarth 2007, 38) – steps 5 and 6 respectively of LCE’s method of articulation (see Chapter 5, Section 5.6) – and help ‘close’<sup>169</sup> the retroductive circle for this study.

Second, future research could address the limitation of this study’s dependence on publicly-available documentary data by conducting face-to-face interviews with participants. This could gather the rich interview data that documentary analysis alone does not permit, as well as allowing participants opportunities to critically reflect on their own and others’ positions, both in the debate and with hindsight.

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<sup>168</sup> Key theorists include Chantal Mouffe, Ernesto Laclau, William Connolly, James Tully, and Iris Young (see e.g. Wingenbach, 2013, for more on these ‘post-foundationalists’).

<sup>169</sup> Although such ‘closure’ would of course be only temporary.

Third, future research could address the question I raised in Chapter 6, Section 6.1.4 (n98) of why advocates used the language of CBA: were they themselves persuaded of it, were they using it because they thought *others* were persuaded by it, was its discourse working ‘behind their backs’<sup>170</sup>, or for some other reason? In other words, were their identifications around CBA sincere, strategic, unconscious, or something else? Similarly, future work could investigate the absences of this debate, for example, the weakness of CBA’s <rationalisation machine> role relative to what might have been expected from Burchell et al.’s typology (1980), or the virtual absence of contestation by advocates of Pharmac’s cost calculations.

Fourth, an extended logics study of the debate could restore a broader understanding of ‘CBA’ than possible in my study by reinstating and analysing items in my archive that I excluded as ‘not relevant’ (i.e. not relating to ‘technical’ CBA). This could include analysis of the metaphorical uses of ‘cost’ and ‘benefit’, which might shed light on participants’ identifications around CBA since “the metaphors we use determine a great deal about how we live our lives” (Lakoff and Johnson 2003, 245).

Fifth, multi-case studies could be undertaken to analyse whether the political demands I identified in this case were, or able to become, hegemonic demands (see Section 7.3)

Finally, having searched extensively but in vain for a genealogy of CBA, I suggest research on this would offer a valuable contribution to the literature.

### 9.9 ‘Taking Responsibility for Making Our Visions Real’: reflections and concluding comments

*The most interesting test ... comes precisely when we realize we must remain uncertain about where virtue lies and what costs we impose – but when we nevertheless step forward to govern ... building a ... practice which embraces the freedom and responsibility that comes with an ongoing awareness of the dark sides of [virtue] (Kennedy 2005, xx)*

In this final section, I offer some reflections on the process and consequences of taking a logics approach to this study, before making a final comment on the need for ongoing articulation.

#### 9.9.1 Counter-logics as hegemonic struggle

*[I]n naming dominant social logics and counter-logics, we engage in a task of rhetorical redescription that foregrounds the contingent and political nature of social practices ... [T]he political analyst is already engaged in*

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<sup>170</sup> “On the one hand, we govern others and ourselves according to what we take to be true about who we are, what aspects of our existence should be worked upon, how, with what means, and to what ends. On the other hand, the ways in which we govern and conduct ourselves give rise to different ways of producing truth” (Dean 1999, 18)



*a hegemonic struggle, deploying political logics of rhetorical redescription in the very process of characterizing and explaining discursive practices (Glynos and Howarth 2007, 196)*

Whilst I discussed in Chapter 5 the importance of reflexivity in this study, I wish to add a comment on the “double operation” (Glynos and Howarth 2007, 196, original emphasis removed) of logics. In the process of articulating discursive elements together and against each other, and especially in their naming, an LCE analyst plays an active part in “making them part of one rather than another logic” (Glynos and Howarth 2007, 196). In other words, the act of naming something *as* a logic and articulating this with and against other elements is always-already a political practice, i.e. a “struggle[...] that seek[s] to challenge and transform the existing norms, institutions and practices – perhaps even the regime itself – in the name of an ideal or principle” (ibid, 105). Such articulation and naming is neither “natural” nor “value neutral” (ibid, 196) and so this thesis forms part of a hegemonic struggle to advance DA (and LCE) in the accounting literature and to persuade others of my vision of holding CBA more lightly – and of the counter-logics I proposed herein as a means of so doing. Hence it is important to recognise that what I have presented here is not ‘fact’ or ‘reality’, but my articulation of the elements I identified, named, and formed into chains of equivalence. This has consequences for the development of counter-logics and intervention(s) of both this thesis and the suggested future research.

### 9.9.2 Consequences of discarding the security blanket of CBA

*It would, for example, be possible to develop cost-benefit analysis in more dialogic directions, but this would deeply challenge its roots in neo-classical economics (Brown 2009, 329)*

*[I]f fantasy is disturbed or radically put into question, this will have repercussions for the consistency of our symbolic reality (Glynos 2001, 201)*

In PDT, meaning is conferred only in relation to other elements in a ‘net’ of discourse – any change in one part generates change in both the whole and the elements of the net. Thus, the outcomes of hegemonic struggles depend not only on their resonance(s) with their audience(s), but also on their interactions with other elements and relations in the (multiple) discourse nets in which they are linked. This highlights a need for further – and ongoing – articulation, since in this approach meaning is never finalised and hegemonic struggles never completed. Yet, because fantasy (i.e. the ‘content’ of FLs) “stabilis[es]” (social) ‘reality’ (Glynos 2001, 201), ‘disenchanting’ CBA, or re-channelling its “inertia” (Glynos and Howarth 2007, 145) into a more dialogic form that recognises decision-making as an act of power – with all its attendant discomforts and responsibilities – will involve much more than a cognitive understanding of CBA’s grip. Foregoing CBA’s comfort would mean somehow engendering a different mode of *jouissance*, one that can bear to “acknowledge[...] and tarr[y] with” the “radical contingency of social reality and identity” (Glynos

## Chapter 9 – Disenchanted CBA

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and Howarth 2007, 111) and not seek to escape this through the (illusory) certainty of a black-box ‘technical’ CBA. This is no small task and will not be easily done, especially as living the DA principles would require us to resist re-enchanting any new mode/s of *jouissance*. Nor can such a struggle be made alone, for CBA only has meaning within a specific social space shaping the identifications available. Commitment, imagination, action will be required to go beyond CBA’s comforting fantasies of certainty, for as we reach beyond its security blanket toward

*the [CBA] I imagine, we would need to disenchant our practices, our expertise, and our professional postures, let go attachments to much that [it] has become ... But it is hard to imagine sustaining such a [CBA] alone. We will need a community and a profession, will need to develop habits, practices, and institutions. ... I hope [to] engage others in the work of criticism and disenchantment, and in the search for new ... habits of mind and professional practices (Kennedy 2005, 355)*

Primary Sources



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# Appendices

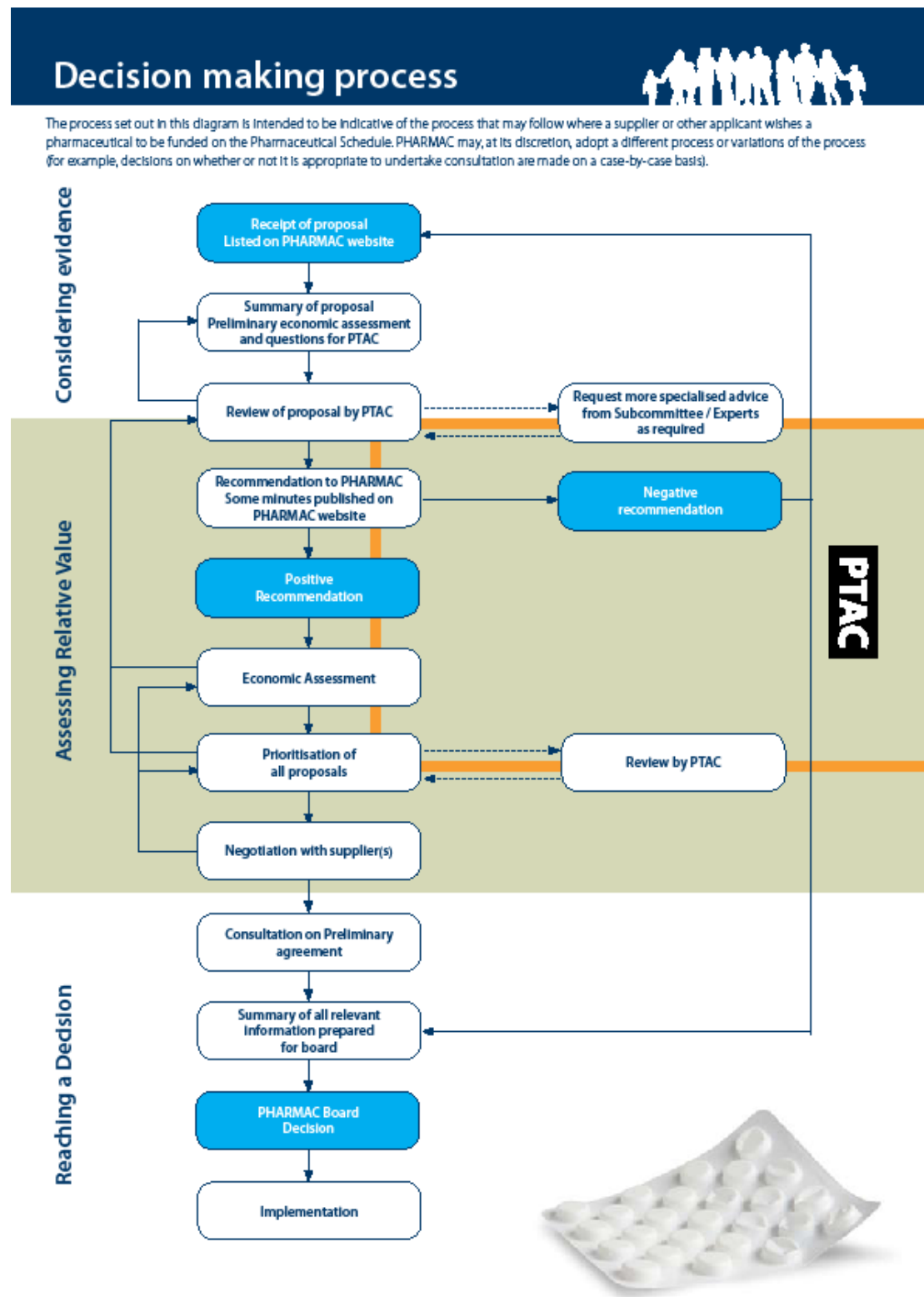


**Appendix 2.1 – Timeline of the Herceptin Debate**

2005	December	Initial application for funding
2006	May	PTAC recommended application be declined
	July	Pharmac declined funding
	October	CaTSoP recommended funding for ‘short-course’ (nine weeks’ treatment)
	November	PTAC recommended funding for ‘short-course’ as “high priority”
2007	April	Pharmac approved funding for ‘short-course’
	June	Funding began for ‘short-course’ ‘Herceptin Heroines’ filed judicial review case in High Court
2008	February	High Court heard case
	April	Judgement released – one challenge upheld, on consultation prior to first decision to decline funding. July 2006 decision set aside, Pharmac ordered to re-consult
	May	Pharmac began re-consultation
	July	Pharmac again declined funding for ‘full-course’ (12 months’ treatment); ‘short-course’ funding unchanged
	August/September	Funding for ‘full-course’ becomes Election issue
	November	Change of government
	December	Incoming National government announced direct funding of ‘full-course’ by Ministry of Health, backdated to date of swearing-in



## Appendix 2.2 – Pharmac’s decision-making process



(PHARMAC n.d.-a)





## Appendix 5.1 – List of Nodes Used in Coding

<b>Name</b>	<b>Number Of Sources Coded</b>	<b>Number Of Coding References</b>
1. Logic_Type	0	0
1.1 Social logic	64	2,186
1.2 Political logic	64	1,220
1.2.1 Logic of equivalence	64	1,194
1.2.2 Logic of difference	13	24
1.3 Fantasmatic logic	63	1,265
2. Role	1	1
2.1 'Answer machine'	54	153
2.2 'Learning machine'	26	120
2.3 'Ammunition machine'	11	18
2.4 'Rationalisation machine'	15	26
3. Facticity	1	1
3.1 High factuality	59	270
3.2 Medium factuality	10	22
3.3 Low factuality	1	1
4. Measurement	0	0
4.1 Qualitative-Quantitative	0	0
4.1.1 Qualitative	5	11
4.1.2 Mixed	4	4
4.1.3 Quantitative	48	184
4.2 Confidence of measurement	1	2
4.2.1 High confidence	45	158
4.2.2 Medium confidence	33	142
4.2.3 Low confidence	15	27
4.3 'Externalities'	0	0
4.3.1 Inclusive of 'externalities'	3	4
4.3.2 Selective inclusion of 'externalities'	9	18
4.3.3 Exclusive of 'externalities'	39	151

## Appendices

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<b>Name</b>	<b>Number Of Sources Coded</b>	<b>Number Of Coding References</b>
5. Resource Allocation Criteria	0	0
5.1 Basis for allocating resources	3	4
5.1.1 Economic efficiency	49	157
5.1.2 Individual need	29	59
5.1.3 Political salience	15	28
5.1.4 Other	26	90
5.2 Number of resource allocation1		1
5.2.1 Single allocation criterion	25	44
5.2.2 Multiple allocation criteria	14	35
6. Practice	0	0
6.1 Process	1	1
6.1.1 Consistent_BAU	52	203
6.1.2 Exception	15	33
6.2 Quality of inputs	3	4
6.2.1 High quality inputs	40	146
6.2.2 Medium quality inputs	27	116
6.2.3 Low quality inputs	10	17
6.3 Expectation of use	0	0
6.3.1 Necessary to use CBA	38	143
6.3.2 Normal to use CBA	42	138
6.3.3 Remarkable to use CBA	0	0
7. Change Orientation	0	0
7.1 No change desired	46	179
7.2 Some change desired	19	52
7.3 Major change desired (inc. abandonment)	0	0
9 wks vs. 12 mths	40	202
All New Zealanders	23	40
'Battling' cancer	19	32
Cancer as enemy	26	59

Name	Number Of Sources Coded	Number Of Coding References
Choice	27	82
Constrained resources	19	65
Consumerism	27	88
Cost as obstacle	41	131
Cost-effectiveness	59	318
Decision criteria	8	14
Democracy	26	65
Doctor knows best	28	76
Early & metastatic BC	14	25
Early vs. metastatic BC	1	1
Economic logic	50	256
Expertise	90	485
Fairness	49	245
Family	22	39
Hope	25	59
Individual	31	108
International comparison	39	109
Life & death	37	130
Motherhood	15	22
National character	6	7
Numbers as objective	63	412
Objectivity	34	298
Other	12	14
Power differential	13	32
Proper conduct	42	202
Rationality	37	231
Relevance	27	146
Risk	36	129
Scientific evidence_proof	60	325
Side-effects	19	71

## Appendices

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<b>Name</b>	<b>Number Of Sources Coded</b>	<b>Number Of Coding References</b>
Specialness of BC	4	5
Theory & practice	4	8
True cost	49	210

(Exported from NVivo, 28 March 2017)

## Appendix 5.2 – List of Documents Used in Coding

(Exported from NVivo, 29 March 2017)

Name	Nodes	References
A001 - June 2008 BCAC submission to PHARMAC on Herceptin	53	475
A003 - Submission on Petition To the Health Committee of the House of Representatives	34	175
A008 - Herceptin Will Save Lives	42	196
A009 - Herceptin Affordable and Sale (BCAC press release)	19	54
A016 - NZMJ_article_re_Herceptin	44	297
A017 - It's all about the money with Pharmac March 20 2007	35	166
M002 - Cancer sufferers 'devastated'	37	138
M003 - Your money or your life for cancer sufferers	38	270
M004 - Herceptin and Pharmac, up close and personal (as printed)	0	0
M004 - Herceptin and Pharmac_ up close and personal	61	526
M006 - High-cost cancer drug rejected	42	153
M010 - PHARMAC'S LONE PATH	43	285
M017 - Herceptin treatment	44	130
M028 - Decision on Herceptin 'unintelligent and reckless'	42	177
M029 - cost not a factor in herceptin, dhbs	22	39
M031 - Insight Sunday_12_August_Herceptin-048	64	1083
M048 - DRUGS YOU CAN'T HAVE	40	154
M050 - What's the price of life_	44	202
M051 - Pharmac asks if Herceptin is cost-effective	28	61
M053 - How dare they deprive us of lifeline	47	265
M054 - Women's groups split on Herceptin decision	48	241
M056 - Editorial, Brave voice deserves to be heeded	32	87
M072 - Implications for high-cost drugs	46	203
M074 - Funding of cancer drug `bad' precedent	40	228
M085 - Funding given to proven option LETTER TO EDITOR	36	175
M086 - 'Funeral march' protest against Herceptin ruling	27	64
M087 - Cancer drug too expensive	35	108
M094 - Warning over Herceptin hype	25	65
M101 - Expensive medicine	38	128
M105 - Putting prices on loved one's lives	52	253
M124 - Expert attacks Herceptin decision	33	120
M127 - HERCEPTIN WRT - No Headline	28	75
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