

Dialogues in Human Geography

<http://dhg.sagepub.com/>

Australia's developmental trajectory: Neoliberal or not?

Vaughan Higgins

Dialogues in Human Geography 2014 4: 161

DOI: 10.1177/2043820614536501

The online version of this article can be found at:

<http://dhg.sagepub.com/content/4/2/161>

Published by:



<http://www.sagepublications.com>

Additional services and information for *Dialogues in Human Geography* can be found at:

Email Alerts: <http://dhg.sagepub.com/cgi/alerts>

Subscriptions: <http://dhg.sagepub.com/subscriptions>

Reprints: <http://www.sagepub.com/journalsReprints.nav>

Permissions: <http://www.sagepub.com/journalsPermissions.nav>

Citations: <http://dhg.sagepub.com/content/4/2/161.refs.html>

>> [Version of Record](#) - Jun 25, 2014

[What is This?](#)

Australia's developmental trajectory: Neoliberal or not?

Vaughan Higgins

Charles Sturt University, Australia

Dialogues in Human Geography
2014, Vol. 4(2) 161–164
© The Author(s) 2014
Reprints and permission:
sagepub.co.uk/journalsPermissions.nav
DOI: 10.1177/2043820614536501
dhg.sagepub.com



Abstract

General support is given for Weller and O'Neill's (2014) aim to question the influence of neoliberalism on political and economic change in Australia. However, their key proposition that Australia's developmental trajectory has never been neoliberal in intent or outcome is challenged. Critiqued also is Weller and O'Neill's use of a working definition of neoliberalism that fails to engage explicitly or sufficiently with theoretical perspectives on neoliberal governance. A governmentality approach is argued to offer a way forward in exploring how neoliberal and non-neoliberal rationalities and techniques articulate with one another as part of attempts to address specific *problematizations* of rule.

Keywords

Australia, governmentality, hybrid governance, neoliberalism

Weller and O'Neill (2014) advance an important argument about the influence of neoliberalism in Australia. Where most analyses assume that the political and economic changes in the last 30 years are an expression of neoliberal ideas, Weller and O'Neill invert this expectation. Their paper commences 'with the assumption that such changes are not instances of neoliberalism' and then looks for 'evidence to the contrary' (p. 106). This innovative approach represents a departure from analyses in which neoliberalism is assumed to colonize more and more areas of social existence. It enables neoliberalism as an ideology and set of practices to be given what Gibson-Graham (1996) would term an 'identity crisis'. This approach also raises significant questions over the relationship between neoliberal and non-neoliberal forms of rule and forces some reflection on whether we as scholars have been granting neoliberalism too much power in explaining political and economic change. In taking

an open-ended and inquisitive research approach, Weller and O'Neill are able to mount a challenge to those researchers who use neoliberalism as '*the* explanatory term for contemporary forms of economic restructuring' (Larner, 2003: 509, emphasis in original) and to showcase how analysis might proceed differently. I agree with Weller and O'Neill's aim of seeking to 'unsettle interpretations of Australia's political-spatial economy as a form of variegated neoliberalism' (p. 106). However, I would like to take issue with *how* this is done. In my view, there are two interrelated limitations with Weller and O'Neill's argument. Each of these is discussed below.

Corresponding author:

Vaughan Higgins, School of Humanities and Social Science, Charles Sturt University, Albury-Wodonga, New South Wales, Australia.

Email: vhiggins@csu.edu.au

Where is neoliberalism?

Despite the considerable promise of the paper, Weller and O'Neill take a position from the outset that results in the influence of neoliberalism on Australian economic and political life being consistently downplayed. They contend that 'Australia's developmental trajectory has never been neoliberal in intent or outcome, even in a distinct or hybrid form . . .' (p. 106). This is a bold proposition given the considerable evidence pointing to the influence of neoliberal ideas in economic (Quiggin, 1999), social (Deeming, in press), environmental (Lockie et al., 2006) and political (Beeson and Firth, 1998) domains within Australia. If Weller and O'Neill's position could be supported by compelling evidence, the paper would be groundbreaking. However, this is regrettably not the case.

Throughout the paper, Weller and O'Neill identify neoliberal elements in the changes that they discuss. Yet, since these elements are not always the dominant or central element they are dismissed as having little influence. Thus, a recognizably neoliberal approach is argued to have been evident in a number of policy domains since the Hawke Labor era. But because such an approach has often supported non-market agendas, or has not (apparently) been taken up in the social realm, this is taken as evidence that Australia's developmental trajectory has never been neoliberal. A good example of this dismissal of neoliberalist influences is evident in Weller and O'Neill's argument (pp. 120–121) that the conservative Howard government's reforms to workforce participation 'could be interpreted as neoliberalization of Australian welfare, but that would not necessarily be the best explanation'. This begs the logical question of why neoliberalism does not provide the best explanation, and what other explanations might be available? Unfortunately such questions are not addressed.

Perhaps the best example of the dismissal of neoliberalist influences is Weller and O'Neill's brief (three sentence) discussion of natural resource commodification. The management of natural resources in Australia is an area where the application of neoliberal policy approaches is well-documented (e.g., Dibden and Cocklin, 2005; Lockie, 2010; Lockie

et al., 2006). Yet the scant attention given to this topic belies its significance as a claimed 'hallmark of neoliberalization' (p. 117). Weller and O'Neill miss an opportunity to examine the growing number of schemes used by governments and some farming industries to pay land managers to provide ecosystem services. These 'Payments for Environmental Services' schemes are based on the assumption that environmental degradation is a consequence of market failure due largely to factors such as 'imperfect information, inadequately defined property rights, and/or pricing of natural resources below their full economic and environmental cost' (Lockie, 2013: 91). While the implementation of such schemes involves a range of challenges, they provide no better example of efforts by state agencies to apply market logics to environmental governance and environmental change – a process referred to as the 'neoliberalization of nature' (e.g., Heynen et al., 2007; McCarthy and Prudham, 2004). This applies as well to markets created by governments to better allocate water or to limit carbon emissions. Such markets are consistent with the broader 'neoliberal marketisation of environmental governance' (While et al., 2010: 85). However, they are dismissed by Weller and O'Neill as being 'different to those that might be established under neoliberal logics' (p. 118). Again, evidence is lacking as to why this is the case.

What is neoliberalism?

A second major limitation with the paper is its reliance on a working definition of neoliberalism that does not relate in a clear way to the three theoretical approaches outlined by Weller and O'Neill – *neoliberalism-in-theory*, *neoliberalism-in-general* and *neoliberalism as a form of governmentality*. While a working definition provides a useful starting point for analysis, it should not substitute for systematic application of theory. In adopting and applying a working definition throughout the paper, Weller and O'Neill simplify the nuances, differences between, and unique contributions of each approach. The consequence is an analysis that provides little transparency on the theoretical approach(es) informing the authors' interpretations. While space constraints may be an issue, why could the authors not have

applied all three approaches in making sense of the Australian case? This would be helpful in ‘testing’ the applicability of each theoretical approach and highlighting the complex ways in which neoliberalism relates to as well as intertwines with non-neoliberal rationalities, techniques and practices. There seems little point discussing three different perspectives on neoliberalism and not then applying them in a systematic way.

Even though Weller and O’Neill adopt a broad working definition, it becomes clear that their analysis is informed implicitly by a *neoliberalism-as-theory* perspective. Thus, neoliberalism tends to be conflated with a withdrawal or hollowing out of state intervention, and its replacement with private and market-oriented forms of rule. For example, the privatization of state-owned enterprises in the 1990s is argued to be a ‘shallow neoliberalization’ since it involved ‘changes to the organisation and management of provision rather than a withdrawal of state functions’ (p. 117). Similarly, Weller and O’Neill contend that the re-regulation of the financial sector at the time of the 2007 transatlantic financial crisis is not identifiably neoliberal since ‘the federal government never relinquished control to *laissez faire* capitalism’ (p. 118). They argue also that Australia has only been ‘lightly touched by neoliberalism’ since economic and political changes ‘do not accord with a retrenchment of the state by roll-out neoliberalism, a hollowing-out of the nation state, a roll-back of intervention, or with a shift in state function to become an orchestrator of markets’ (p. 123). In these arguments, Weller and O’Neill assume that anything involving state regulation is either not neoliberal or a very weak form of neoliberalization. This may be the case, but to make such judgements the authors need to be clear on which theoretical approach to neoliberalism frames their argument.

A way forward: Hybrid (neoliberal) governance?

To achieve their aim of challenging ‘accounts that lean on neoliberalism as the (pre)dominant driver of national development’ and recognizing ‘emerging contradictions and counter-tendencies’ (p. 106), a

more productive strategy would be for Weller and O’Neill to engage in more depth with a governmentality approach. This is the only approach of the three they outline, which recognizes the ‘*multiple and contradictory aspects* of neoliberal spaces, techniques and subjects’ (Larner, 2003: 509, emphasis in original). Yet surprisingly it is one which Weller and O’Neill view as ‘not reconcilable with the categories and determinations’ used in their paper (p. 122).

Use of a governmentality approach would enable attention to the broader *problematizations* that underpin attempts to govern – the specific situations or historical moments ‘in which governing is called into question, in which actors of all sorts must pose the question of how to govern’ (Dean, 2010: 38) – without pre-supposing that neoliberalism is the predominant driver. Such an analytical approach focuses on how governmental rationalities and techniques articulate with one another as part of attempts to address such problematizations. It would also ensure that Weller and O’Neill are not so hasty in dismissing the hybrid forms of governing – involving neoliberal as well as non-neoliberal rationalities and techniques – through which programmes are rendered workable in practice (Higgins and Lockie, 2002; Higgins et al., 2012; Lockie and Higgins, 2007; Stenson and Watt, 1999). Hybrid forms of governance can enable neoliberalizing ambitions to be made workable, but they also provide ‘opportunities for tensions to emerge, regulatory boundaries to be re-configured, and the practical achievement of ... governance to be reflected upon in alternative ways’ (Lockie and Higgins, 2007: 9). This provides a much more robust analytical framework for Weller and O’Neill in recognizing ‘emerging contradictions and counter tendencies’ (p. 106) but without dismissing the well-documented influence of neoliberal governmentalities on Australia’s developmental trajectory.

References

- Beeson M and Firth A (1998) Neoliberalism as a political rationality: Australian public policy since the 1980s. *Journal of Sociology* 34(3): 215–231.
- Dean M (2010) *Governmentality: Power and Rule in Modern Society* (2nd ed.). London: Sage.

- Deeming C (in press) Social democracy and social policy in neoliberal times. *Journal of Sociology*.
- Dibden J and Cocklin C (2005) Agri-environmental governance. In: V Higgins and G Lawrence (eds) *Agricultural Governance: Globalization and the New Politics of Regulation*. London: Routledge, pp. 135–152.
- Gibson-Graham JK (1996) *The End of Capitalism (as we knew it): A Feminist Critique of Political Economy*. Minneapolis, MN: University of Minnesota Press.
- Heynen N, McCarthy J, Prudham S, et al. (eds) (2007) *Neoliberal Environments: False Promises and Unnatural Consequences*. Abingdon: Routledge.
- Higgins V and Lockie S (2002) Re-discovering the social: neo-liberalism and hybrid practices of governing in rural natural resource management. *Journal of Rural Studies* 18: 419–428.
- Higgins V, Dibden J and Cocklin C (2012) Market instruments and the neoliberalisation of land management in rural Australia. *Geoforum* 43: 377–386.
- Larner W (2003) Guest editorial: neoliberalism? *Environment and Planning D: Society and Space* 21: 509–512.
- Lockie S (2010) Neoliberal regimes of environmental governance: climate change, biodiversity and agriculture in Australia. In: M Redclift and G Woodgate (eds) *International Handbook of Environmental Sociology* (2nd ed.). Cheltenham: Edward Elgar, pp. 364–377.
- Lockie S (2013) Market instruments, ecosystem services, and property rights: assumptions and conditions for sustained social and ecological benefits. *Land Use Policy* 31: 90–98.
- Lockie S and Higgins V (2007) Roll-out neoliberalism and hybrid practices of regulation in Australian agri-environmental governance. *Journal of Rural Studies* 23: 1–11.
- Lockie S, Lawrence G and Cheshire L (2006) Reconfiguring rural resource governance: the legacy of neoliberalism in Australia. In: P Cloke, T Marsden and P Mooney (eds) *Handbook of Rural Studies*. London: Sage, pp. 29–43.
- McCarthy J and Prudham S (2004) Neoliberal nature and the nature of neoliberalism. *Geoforum* 35(3): 275–283.
- Quiggin J (1999) Globalisation, neoliberalism and inequality in Australia. *The Economic and Labour Relations Review* 10(2): 240–259.
- Stenson K and Watt P (1999) Governmentality and ‘the death of the social’? A discourse analysis of local government texts in South-east England. *Urban Studies* 36(1): 189–201.
- Weller S and O’Neill P (2014) An argument with neoliberalism: Australia’s place in a global imaginary. *Dialogues in Human Geography* 4(2): 105–130.
- While A, Jonas AEG and Gibbs D (2010) From sustainable development to carbon control: eco-state restructuring and the politics of urban and regional development. *Transactions of the Institute of British Geographers* 35: 76–93.