Neoliberalism, Individualism and Prospects for Regional Renewal

by Ian Gray & Geoffrey Lawrence

Abstract

Earlier versions of regional policy have acknowledged a structural basis to spatial social inequality but more recent manifestations have implicitly denied a structural element. This is occurring amid rhetoric and action aimed at facilitating individual response to regional decline. Neoliberal individualism has been applied to regional issues, thereby translating structural problems into issues for which there only appear to be individualistic solutions. However, neoliberalism also relies on collective action to organise response to economic and environmental change. This inconsistency suggests very uncertain prospects for regional renewal. We trace the history of the individualisation of policy before examining the forces making for that uncertainty

Introduction

During the last thirty years, Australia has seen regional policies move away from those which, if not aimed directly at creating spatially even development, at least indicated potential for tackling some of the structural imbalances which focused growth on the major cities. Policies which acknowledge and respond to structural problems like systematic and persistent inequalities among regions have had temporary revivals, but the overall trend has been towards individualistic policies - those which look to individuals and their capacities to organise development for themselves. The rise of neoliberalism and its effects have led to the implementation of policies based on economic individualism: the principle that people will bring on development for their regions if markets are freed sufficiently for them to do so. However, the freeing of markets has been found by regional people to bring rapid social change amid economic decline (for a discussion, see I. Gray and G. Lawrence, 2001).

The prospect that the individualism of neoliberalism will itself bring social disintegration has been raised in such diverse contexts as social theory texts and television current affairs programs. It was mentioned by a public participant during the *Australia Talks* program on ABC television (16 August, 2001). Anthony Giddens (1996: 226) makes the point with respect to the institution of the family: 'The wholesale expansion of a market society... is a prime force promoting those very disintegrative forces affecting family life which neoliberalism, wearing its fundamentalist hat, diagnoses and so vigorously opposes. This is an unstable mix indeed'. The same argument could be made with respect to regional communities.

Such an argument requires careful construction, however. The relationship between neoliberal regional policy and change in social institutions is complex, partly because many recent policies relevant to regional Australia, including Landcare but also important developments announced at the 1999 'Regional Summit' (discussed below), rely on - and hence bring attempts to advocate - social organisation and collective action. Application of the concept of 'social capital', which is usually defined as a capacity for organisation accompanied by trusting social relations, is useful to highlight contradictions within neoliberalism. An examination the individualisation of policy against a background of its movement away from structuralism will reveal the sources of social and political instability which have substantial implications for regional social and economic prospects.

The Decline and Fall of Regional Structuralism

Regional development as a distinct policy objective 'has been in and out of the parking lot from which the issues to construct and reconstruct the political agenda in Australia are drawn' (F. Hurley, 1994: 19). Local and regional economic development agencies have suffered an on-again off-again history under the vagaries of State and Federal politics (see A. Beer, 1998; 2000). Regional development policy was a high priority following the Second World War and was resurrected in the early 1970s under the Whitlam government, with the activities of the Australian Department of Urban and Regional Development. In accordance with long-felt concerns about decentralisation, it attempted to redirect growth away from the burgeoning metropolitan areas towards inland growth centres. The idea was effectively put to sleep under the subsequent Fraser Government, although remnants of regional programs were allowed to remain, notably leaving a small direct federal involvement with local government in the form of the Office of Local Government. This continued under the Hawke Government, but policy with explicit regional development objectives virtually disappeared. Regionalism was, however, kept alive by regional organisations of local government councils (N. Marshall, 1997).

The early 1990s saw some change. Regional development seemed to be back on the agenda. Population decline in farming and resource-dependent areas was becoming apparent through research such as that of B. Salt (1992) (which was commissioned by the Commonwealth) and was raised by the press in association with the dramatic impacts of bank deregulation on farmers at the same time as a severe cost-price squeeze occurred. Excessively rapid development in some coastal areas was also brought to public and governmental attention (Hurley, 1994). The words 'regional development' again appeared in the name of a Commonwealth Government department (Industry, Technology and Regional Development).

Under the new regional development strategies, the regions were to make their best possible contribution to national development. This turned on its head the idea of the nation setting out to ensure that all its regions were equitably provided for and able to access the common wealth. The Department of Industry, Technology and Regional Development (1992) hinted at a fundamentally new approach when it identified attitudes of individual people as a retardant on regional development. But the Task Force on Regional Development (1993), led by Australian Council of Trade Unions Secretary Kelty, offered some reminders of the Whitlam approach. There was some recognition of regional economic and social problems and some concern for regional inequalities. It did not lock out the prospect for special assistance to areas with special needs. However, the regions were not seen as necessarily requiring assistance but rather as sources of their own development. All that was apparently needed was a change in culture for that potential to be unlocked, including changes in attitudes. The Task Force recommended the establishment of Regional Economic Development Organisations (REDOs), which were to be partnerships between federal, state and local agencies. Such a policy was set out by what had become the Department of Housing and Regional Development, perhaps reflecting a more social orientation, but retaining the economic self-help focus. Financial assistance was proposed, but was aimed at helping regions and regional agencies to invest in themselves and enter partnerships with private enterprise. 'By taking command of their own futures, the regions can realise their potential and ambitions and make a major contribution to Australia's prosperity' (Department of Housing and Regional Development, 1994: 175). The REDOs would integrate economic development at the regional level, provide a forum for local decision making between influential players, promote the region, and ensure that interaction with other levels of government brought about desired economic change.

The principal problem to be tackled by this, the 'Working Nation' program, however, was employment generation rather than regional economic and social disparities. Despite this apparent respect for social structural issues, the program and its research precursors remained quite consistent with the 1995 report of the Industry Task Force on Leadership and Management Skills and 'Lead Local Compete Global: Unlocking the Growth Potential of Australia's Regions' (McKinsey and Company, 1994) which identified leadership as one of those potentials to be unlocked. It was also consistent with the Bureau of Industry Economics (1994), which recommended self-help and resigned itself to persistent uneven development, seeing it as inevitable under a market-friendly model. At this time there was no rural development policy other than those aimed at agricultural industries, and certainly none that brought structural impacts on people's well-being to attention (J. Sher & K. Sher, 1994).

Self Help

The Working Group on Development in Rural Areas (1993: 23) acknowledged deficiencies in rural infrastructure but announced that 'the major thrust of policy is towards attitude change in agricultural communities so that individuals and groups become more self-reliant with minimal involvement of governments'. The regional development agenda was no longer development for the sake of the non-metropolitan regions, but rather ensuring that the regions did not adversely affect the nation's economic condition by ensuring that they got on with their own development.

Where the earlier notion of regional development offered some tacit recognition of regional powerlessness by addressing the structural imbalances between regional and metropolitan Australia, the early 1990s version denied a structural element altogether. It saw a problem, but in terms of individual characteristics rather than structural relationships. The problem was conceived as one of locked-up potential to generate employment, potential which when released, will sweep away regional economic and social problems with a market fuelled and driven broom. It was not always so optimistic. The program intended to rehabilitate the degraded economy and environment of New South Wales' Western Division, being a policy for a region rather than a regional policy, has more of the tone of a rescue package. It too recognises wider structural issues by allowing for some central assistance for the solution of regional problems. It, like many government programs, adopts what are termed 'partnership' arrangements, whereby planning is conducted by local and central agencies in 'partnership' (O. Kingma et al, 1995). But it retains the self-reliance theme. A self-help ethos is touted as the saviour for rural and regional Australia (see, for example, A. Gough, 1996; G. Meredith, 1998). As O'Neill (1994) puts it, policy has developed as though government had ceded power to international capital and the regions were left to themselves, relying heavily on their own social capital for capacity to pursue their own interests. This does not mean that governments had ceded to the regions any of their power to govern the regions. A 'governmentality' perspective illuminates the means by which self-help becomes government by less direct, but not necessarily less direct, means as people become complicit in their own governance (see L. Herbert-Cheshire, 2000).

The Howard Government terminated funding for the 'Working Nation' program, and hence the Regional Development Organisations, in its first budget. So ended the principal avenue of regional assistance. Some, like the Local Government Development Program and the Financial Assistance Grants which provided direct and indirect (via the states) support respectively in the regions, survived. Although all Commonwealth involvement in local government was to cease under the 'Tax Package', of which the Goods and Services Tax is the keystone, later political dealings changed that plan.

Individualisation

Federal policies combine those which assume that regional problems can be solved by people 'liberated' by 'reformist' macro-policies along with those which are acknowledged as having detrimental effects on regional areas and their people who are expected to solve the problems. By 1997 it was clear that the only Federal policies supporting regions (as against rural policies) were the Natural Heritage Trust, road funding, agreements on the restructuring of forest industries, some support for telecommunications infrastructure and other programs for which regional assistance claims were made, such as 'More Time for Business' which promises to cut 'red-tape' for small businesses and the creation of the 'Supermarket to Asia Council' (B. Jones, 1997). There is also the Credit Care program which assists small towns to replace banks with regionally-based credit unions amid several efforts to provide support to local communities. Nevertheless, the Federal Coalition Government basically sees itself supporting regional Australia by - as former Deputy Prime Minister T. Fischer (1998) suggested - 'getting the "fundamentals' right". The latter is interpreted as reducing the current account deficit and keeping interest rates in check. The states retain an expressed support for regional development mostly offering assistance with facilitation and information plus some grants (Senate Employment, Workplace Relations, Small Business and Education References Committee, 1999), the administration of which indicates varying degrees of centralisation. Nothing remains of regional structuralism, certainly nothing of the kind which could potentially address regional dependency. But by and large, regional people are left to find their own way to deal with the impacts of globalisation. Individualism has reconstructed regional policy.

The demise of regional structuralism has been accompanied by many neoliberal ('economic rationalist') policies, applying the notion that freeing markets maximises individual well-being, which have been detrimental to regional Australia. These include rationalisation of government services and deregulation of markets (see Gray and Lawrence, 2001). The most stealthy of these would be the National Competition Policy, with which all state governments are complicit. It replaces the organisation of markets with individualistic competition. While it can be argued that many avenues of neoliberal deregulation are being blamed unjustifiably on this one policy, there is no doubt that hostile reaction to it arose in regional Australia and was expressed in the Senate, particularly after the electoral success of the One Nation Party in Queensland. It has been said that a subsequent decision to ask the Productivity Commission to inquire into the effects of the National Competition Policy in regional areas was aimed at ensuring that the Government would have at its disposal an interpretation of the policy which would be much more favourable than that expressed in the Senate (Devonport City Council, 1998). The Terms of Reference for the Productivity Commission Inquiry offer the following background:

> The Government wishes to ensure that the benefits of increased competition in the economy flow to all Australians, including those living in rural and regional Australia, and that the implementation of competition policy promotes efficiency, economic growth and community welfare. Competition policy also recognises that there can be circumstances in which restriction on competition may be justified where there are offsetting public benefits (Productivity Commission, 1998: 2).

This acknowledges that the policy could create problems for regional Australia, but it leaves the regions to justify any curtailment. It is the polar opposite to a policy which would set out to support the regions, and be constrained by any apparent damage to wider interests which could not be justified by benefits. The approach implicitly denies the old belief that what's good for the regions is good for Australia. It is also notable - not at all surprisingly for this agency - that its brief was constructed in the economic language of costs and benefits. The Commission's report (Productivity Commission, 1999) acknowledged that there were some uncertainties about the effects of the policy, but concluded that its ultimate economic impact would be positive.

Under a re-allocation of Cabinet portfolios, rural assistance - in reality assistance to farmers - continued under an altered formula and rhetoric. The most prominent instruments of rural assistance have been the Rural Adjustment Scheme, designed to assist people on non-viable farms to 'exit' their industry and those more viable to develop their farms to economically sustainable levels, and the Rural Communities Access Program which has provided information service programs, most notably 'rural counselling'. All of these have retained the self-reliance model. In 1997 the Rural Adjustment Scheme was revamped, losing some of its assistance measures and was renamed 'Agriculture - Advancing Australia' (see V. Higgins, 1999). The emphasis has moved from what Australia can do to assist the euphemistically-labelled farm 'adjustment' process to what agriculture can be made to do for Australia. What is to become of those left behind this 'Australian advance' is not clear, although at least the counselling programs and some recognition of special problems with regard to social policy remain. This policy does contain assistance measures, most notably the FarmBis program. This is quite consistent with the earlier approaches to regional development through changing attitudes and adding to entrepreneurial skills, as it once again defines the problem in terms of the attributes, or in this case supposed deficiencies, of people. The possibility that lack of skill, as far as it can be confirmed to exist, is a product of allowing structural educational disadvantage to persist is not acknowledged.

The Federal Government's 1999 'Regional Australia Summit' conference was the vehicle for announcing what was displayed as a radical innovation in regional policy: philanthropy. Rather than remaining the principal source of funding for development, the Federal Government planned to support charitable organisations which would provide resources and help to establish local philanthropic foundations with could tap the wealth of local philanthropists. (The philanthropy model is discussed in G. Timmons (1999)). By focusing regional assistance on charity rather than government support, this model focuses attention on what individuals and voluntary organisations might offer.

Recognising the Structural Bases of Rural and Regional Decline

What then, are the prospects for a return to a structurally-based policy? Such calls have been made, but they are becoming very rare and have been rather feint anyway. While not wanting 'dictatorial imposition', J. Disney (1990) seeks government facilitation, particularly of infrastructure projects. This is not altogether incompatible with a neoliberal approach (being accepted by at least one commentator who argued that the La Trobe Valley electricity industry had to be restructured, if not eliminated because of global competitiveness considerations - implying necessary and complete capitulation to global forces by government (B. Scales, 1997)), but it does allow some degree of government intervention and does not advocate full privatisation. The use of individualism and denial of structure is most obvious when the problem of power is considered in terms of personal capacity to accept responsibility (and implicitly become vulnerable in doing so). This is not to say that the need to tackle the structural element has been universally ignored. R. Jensen (1998) explains that regional economic and social decline continues to raise equity issues, questioning the relativity of entitlement implied, which must be resolved politically and attended to by government. F. Stilwell (1993) claims that decentralisation policies remained necessary and had not been properly pursued in Australia. Development of leadership, he says, is no substitute for attention to the underlying structures (1994). The 2000 Northern Summit held at Katherine heard calls for increased expenditure on roads and telecommunications, for much increased tax concessions and zone allowances, for expenditure on tertiary education and on health, and for a change to National Competition Policy. F. Stilwell (2000) again calls for interventionist policies, but he seems a lonely voice.

Much louder has been the chorus singing for a 'levelling' of the 'playing field', not with the aim of supporting the regions, but rather by way of removing the benefit obtained, particularly by farmers, from taxation concessions (see, for example, S. Davenport et al, 1991). Alongside these come expressions of the view that the regional development problem is a human one, not in that people are suffering, but that they do not provide resources adequate to the demands of development (such as C. Martin, 1996). Martin (1996) also makes the reasonable point that this view is compatible with that of regional people and agencies. Indeed, issues like lack of adaptability, motivation and leadership were raised during consultations conducted by the Rural Industries Research and Development Corporation (Martin, 1996).

The raising of these issues would be quite compatible with rural people's own individualism: their view of themselves as self-reliant - 'if we had the right people amongst us, we could do it'. (It is also implicitly divisive and has the tone of statements which would seem likely to be made by local elites, but which, given the nature of rural industrial relations might also be expressed by employees.) D. Russell (1999) focuses on leadership as the solution to regional development proclaiming, in a way which points towards belief in the importance and nobility of farming (or rural ideology) that people are what will make the difference, particularly in the form of leaders. (The same paper decries another feature of rural ideology: belief in self-reliance.) There are plenty of advocates for self-help (see, for example, P. Kenyon, 1996). Even Jensen (1998) who recognises the structural element, advocates an approach to regional policy which is community-driven, market-driven and aimed at fostering an enterprise culture. Hence policy has become individualised - it is all up to the people themselves, for themselves, and there seems to be no impetus for change in the direction of policy thinking.

The Inconsistencies of Neoliberal Individualisation

Change may come from internal inconsistency in the process of individualisation. If local/regional action is to be the engine of development, local capacity for social and economic action is crucial. Even the concept of leadership implies that there must be some organisational entity to lead or provide with 'vision'. Herein lies a problem for neoliberal individualisation. It cannot ignore the structural element completely. So it proposes that if the state gets out of the way, collective organisation will spring from civil society. There is a large quantity of research which has argued that, with a few exceptions, a strong civil society , one which possesses social capital, is an essential ingredient to economic development. This argument is made on the grounds that cooperation and collective action. based on active social networks and relationships of trust, are very important to economic development. One might ask how consistent the development of such social characteristics is with individualisation, being wary, though, not to assume that the problem lies in a simple contradiction.

There is plenty of literature stating theoretically and empirically that economies are embedded in societies, or by extension, that local economic development is embedded in local social relations. The theoretical argument leans heavily on M. Granovetter (1985). The collection of empirical evidence which would support such an argument includes (most prominently) R. Putnam (1993), P. Cooke and K. Morgan (1993), R. McArthur (1989), A. Wood (1993), D. Keeble (1997), G. Walker et al (1997) and G. Day (1998), A. Pomeroy (1998) and J. Flora and C. Flora (1995) in rural situations overseas, and in rural Australia, G. Haughton and J. Browett (1995), S. Kilpatrick and R. Bell (1998) and D. Hine and D. Howard (n.d.), J. Cavaye (2000) and I. Falk and S. Kilpatrick (2000). There are contrary arguments, like those of P. Vaessen and D. Keeble (1995), but these centre on the question of whether or not the local economy and its networks rather than wider networks are what is most significant. There is a widespread consensus that 'social capital' is important to economic development.

The positive arguments are usually presented along the lines that inter-firm cooperation is valuable, and more informally, collective development activity is made possible by social networks based on 'weak ties' (see M. Granovetter, 1972) and trusting local relationships with a notion of shared interests in the locality. The same is applied to provision of community services (R. Moxley & C. Proctor, 1995; J. Herbert & B. Smith, 1997). From the opposite angle, there is evidence that development can be hampered by a lack of trust between business and local government (Wood, 1993; K. Cox & A. Wood, 1994). Social disharmony is seen as counterproductive (J. McRuvie & W. Taylor, 1994). Social capital, then, is important to regional policy. The strength of collective regional social capital has, despite traditional imagery and rhetoric, always been dubious.

Both the notion of local economic development initiative and policies like the Rural Partnership Program draw heavily on social capital as they at least partially absolve government from responsibility and pass it to communities and their members, but retain control at the same time. Both are based on an individualistic prescription: a faith in the capacity of individuals to act to further their own interests and spontaneously to coordinate and mutually develop such action. Under neoliberal logic, government policies and programs are seen only as opportunities to exercise management of the economy and to manage in economic terms. Policies are often seen in terms of their impact on economic capital. They are sometimes seen in terms of impacts on 'societal infrastructure' defined as people's knowledge, skills and well-being (Rural Division, 1997).

It is important to understand that the criticisms above are not aimed at dismissing or denigrating local leadership as a necessary ingredient in community development. Indeed, what is often described as 'human capital' or 'personal capital' (the individual abilities and skills of community members (see Cavaye, 2000) is one of five types of capital which communities can be seen to possess. Those 'capitals' can be described as financial, physical, environmental, social, and human. They interact with each other to provide a constellation of opportunities for sustainable development. As Putnam (1993) argued, a community in which trust and networking (social capital) is strong, and where leadership, organisation and problem solving (human capital) is of a high order, is likely to have much better opportunities for progress than one where one or both of human and social capital is lacking. Similarly, it is often difficult for communities which possess high levels of human and social capital to achieve success if the financial, physical and/or environmental capital is limited, or deteriorating.

While rural policies depend upon human and social capital in the form of self-reliance as well as trust and cooperation, those same policies are acting to reduce social capital. Federal policy advisers have said that pursuing a purely market-driven philosophy aimed at individualisation and competition is inconsistent with sustainability (Kingma et al, 1995). Yet despite the rhetoric which calls for community sustainability, some policies and programs promote individualisation while others may contribute unintentionally to collective social capital. For example, the Rural Counselling Scheme and the Landcare program are both operated by local committees with Federal Government support. To the extent that they bring people together to act in response to economic and environmental problems, they promote social capital. Although their actions are largely taken at the individual farm level, they are certainly unlikely to erode social capital.

Landcare has been very successful in applying social capital and possibly in developing or maintaining it. Since Landcare's inception in 1989, it has involved almost 30 per cent of Australian farms in cooperative attempts to fight land degradation. S. Lockie (1995) found that while participation did not extend as far as it might, it was almost unconsciously promoting co-operative activity among farmers despite a tendency for interests, such as agribusiness and government departments, to appropriate the symbols of Landcare to their own ends (by, for example, associating Landcare with high-input farming techniques). The rhetoric of Landcare renders governments liable to accusations of using social capital to escape its own responsibilities (in the manner described by L. Bryson and M. Mowbray (1981)), but there is little doubt that its community orientation has been beneficial (National Natural Resource Management Task Force, 1999). The institution of private property and the practice of individual entrepreneurship are impediments to collective action. The Landcare movement has at least opened discourse about these ideological and practical pillars of rural society (I. Reeve, 1997).

At the same time, however, the old Rural Adjustment Scheme and its successor Agriculture - Advancing Australia contain elements which may be threatening social capital. They have an exclusion effect: they deny assistance to families whose farms are deemed not to be viable, but to provide support to other families seeking to buy property. Drought assistance procedures are potentially divisive (see I. Gray et al, 1998). The movement of direct control over water and other resources away from government authorities towards local organisations or corporations also risks extending policing-like roles for local people which could threaten the legitimacy of their leadership.

Effects of policies on social capital can occur indirectly. Economic development programs often take the individualistic competition approach as they seek to support individual rather than local collective entrepreneurship (see, for example, Gough, 1996). This presents a contrast with Landcare. The previous (Labor) Federal Government's regional development program provided go-between organisations (REDOs) connecting business and community. Hence they were not themselves individualistic (McRuvie & Taylor, 1994). Yet contradictions could still arise. An evaluation of the Federal regional development strategy called for greater community ownership and autonomy but growth driven by private enterprise remains a keystone of the policy (Department of Primary Industries and Energy, 1995). This implies social capital accruing only to those who participate most effectively in the market. As R. Fitzgerald (1996) sees it, restructuring combined with the imposition of user-pays principles in government programs is devaluing citizenship and destroying social capital as only those who can participate in the market are able to participate in their community.

The Rural Partnership Program places much emphasis on leadership. It thereby leans toward seeing solutions in terms of the characteristics of individuals rather than communities. The Rural Partnership Program has been accused of being top-down: government not accepting community initiative and denying local autonomy (D. Cloonan, D. Russell & G. McKillop, 1996). This is an apparent case of control through governance and is unlikely to foster social capital. There is some danger that policy initiatives in natural resource management developed federally (see National Natural Resource Management Task Force, 1999) may - if they elevate leaders and so-called 'champions' over and above the community - suffer the same deficiency.

While some policies seek to promote local leaders, others are leaving community members out altogether. Perhaps the most blatant attack on local social capital in the name of economic management has occurred in Victoria (but more recently rejected by the New South Wales Government after much protest followed its mooting) where, under application of the National Competition Policy, local government is obliged to put many of its services to tender. This procedure is known as Compulsory Competitive Tendering or CCT. Where services had been provided by local organisations, they were to be replaced by larger more commercial operations which have economies of scale but no specific local interest. J. Dixon and L. Hoatson (1996) have found these contractual arrangements to be disenfranchising people from their local governments and destroying important elements of citizenship, all in the name of 'good' economic management. The community damage being wrought by such a process was highlighted by a diversity of participants at the Federal Government's Northern Australia Summit. A similar situation has become apparent in the United Kingdom, where CCT has a much longer history. V. Lowndes (1996) reports that it has made it much harder for councils to respond to local needs and priorities and remain sensitive to local cultures. Parallel changes are occurring with the privatisation and contracting of other

State and Federal Government services, most notably recently the Commonwealth Employment Service. This process is blurring the distinction between public and private spheres of activity. A. Davidson and B. Grant (1997) suggest that this is moving Australian society towards a feudal system in which allegiance, civic duty and the moral and financial obligations of citizenship are no longer owed to the state, but rather to highly privileged individuals.

It has been recognised that there is a trade-off being made between managerialism and democracy as micro-economic reform agendas run through local government (see examples in B. Dollery and N. Marshall, 1997). Local government has long been known to have a tenuous position as a source of social capital, since community studies have shown incidents of profound distrust between local government and its constituents (see R. Wild, 1983 and I. Gray, 1991 for examples). The imposition of economic/managerial reform agendas by State and Federal governments seems likely to worsen this relationship and destroy social capital. Again, economic management, under which the only acceptable criteria are efficiency and effectiveness defined in monetary terms, is weakening social capital as it promotes the status of individual entrepreneurs and leaders. Despite the potentially positive effects of some programs, the negative effects of others appear likely to be profound. Even some apparently devolutionary programs can threaten to destabilise local leadership.

Conclusion

Human and social capital are both necessary ingredients in the development of sustainable futures for all communities. For regional communities, the policy directions of governments which follow neoliberalism promote the desirability (perhaps necessity) of enhanced human and social capital for sustainable development while at the same time constraining and even reducing those forms of capital within the community. The observation that they also rely on and promote social capital does not indicate significant prospects for deflecting this scenario. By 2001, the individualisation of regional policy has become a long term process with no firm indication of any intention among governments to change its trajectory.

Neoliberal individualisation makes the prospects for regional renewal increasingly uncertain, at best. Not only does it implicitly deny the structural element in regional relationships, but it also contradicts itself by advocating individualism and promoting individualisation at the same time as it demands and sometimes facilitates collective action. Regional people are sometimes found to advocate structural intervention in regional economies, but can also be seen to accept individualisation as appropriate to a tradition of belief in self-help. Political leaders attempt to manage these tensions and those implicit in the contradiction between individual and collective bases for action. However, the only certainty appears to be uncertainty, which is itself detrimental to the prospects for spatially even regional renewal.

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Ian Gray
Associate Professor of Sociology and Associate Director,
Centre for Rural Social Research
Charles Sturt University
Wagga Wagga, NSW 2678

Geoffrey Lawrence
Foundation Professor of Sociology and Director of the Institute
for Sustainable Regional Development
Central Queensland University
Rockhampton Queensland 4702