



The nation-building state retreats: An Australian case study in the changing role of the state



Claire Baker

Faculty of Humanities, Arts and Social Sciences, University of New England, Armidale, NSW, 2351, Australia

ARTICLE INFO

Keywords:

Australian wheat board
Deregulation
Farming
Collective marketing
Nation-building
Neoliberalism

ABSTRACT

The relationship between the state and the market has undergone significant change in many nations over the last half-century and Australia is an instructive example of this change, with neoliberal economic reforms governing much of Australia's recent economic development. Nation-building policies after World War II included the provision of land settlement options for returned servicemen. A detailed case study of one of these settlements, that of Goolhi in New South Wales, Australia provides a telling account of the lived experience of the effects of neoliberal economic reform in Australia within the agricultural sector, and more specifically of the deregulation of the Australian Wheat Board. Whilst having been established as a direct result of nation-building policies, the community at Goolhi was effectively dismantled through the deep restructure of the sector brought about through the state's intensifying neoliberal stance. This research demonstrates both the sociological and subjective effects of the experience of the changing role of the state, particularly the experience of new burdens in a 'free' market. This small-scale and in-depth study provides a detailed empirical case study of a community that sits at the intersection of outcomes of deeply changed policy orientations.

1. Introduction

At the heart of debates over neoliberalism and its impacts sit competing ideas as to the appropriate relationship between the state and the market. This relationship has undergone significant change in many nations over the last fifty years and Australia represents an instructive example of the ways in which the role of the state has shifted. The fact that Australia's modern history and development encompassed an understanding of state involvement that tended toward nation-building policies centred upon protectionism and a strong welfare state meant that intensifying neoliberal policy settings were disruptive. These changes were keenly felt in the agricultural sector because farming represents a necessarily place-based economic activity that has significant and often inescapable social consequences. This paper examines a case study farming community that sits at the intersection of outcomes of nation-building land settlement policies initiated after World War II and the later deregulation of the Australian agricultural sector, exemplified here through the retraction of sectoral stabilisation and collective marketing arrangements in the wheat industry.

This paper has two aims. Firstly, it provides a broad account of changes in the Australian context since World War II that includes two instructive examples of wider policy shifts. The first is the development of land settlement schemes for returned soldiers as part of nation-

building policies after the War. This scheme provided the institutional conditions for the establishment of the community under study. The second examines the role of neoliberal economic reform and in particular the deregulation of the Australian Wheat Board (AWB). Having established the broad context under this first aim, the second is to contribute a detailed analysis of the effects of these changes. Through the presentation and analysis of in-depth qualitative interview data from the case study community, this paper reports the ways in which the reorganisation of state priorities has shifted the settings within which farms operate and how this has impacted upon everyday life. By redefining the broader settings around trade and the deregulation of markets, the state requires certain orientations of farm activity. Within a context that is complicated by the competing demands of familial and emotional legacies that exist in-place alongside this required focus upon economic action, there have been complex effects.

2. Background

2.1. After the war: nation-building and the role of land settlement and agriculture in Australia

The development of the institutional and economic framework that provided the setting for the moment of state-led land settlement at the

E-mail address: claire.baker@une.edu.au.

<https://doi.org/10.1016/j.jrurstud.2018.07.014>

Received 23 February 2017; Received in revised form 2 July 2018; Accepted 25 July 2018

0743-0167/ © 2018 Elsevier Ltd. All rights reserved.

heart of this project was bound to processes conditioned by Australia's modern settlement. Farming and agriculture have long been the site of overlap of economic and social goals in Australia (see [Mayes, 2018](#)), with many Land Acts passed during key periods of development, such as the late 1800s, “ostensibly to produce the desired cultural landscapes and social class” with an emphasis upon the “superior qualities of rural living for the nurturing of lasting citizenship” ([Powell, 1988, p.17](#)). The overlap of nation-building policies after World War II with land settlement for returning soldiers was a part of broader plans for the transition to a peacetime economy in which agriculture was a central element. There was strong political pressure for timely institution of appropriate legislation for land settlement for returned soldiers amongst the many measures of post-war reconstruction ([Butlin and Schedvin, 1977, p.733-4](#)). Amid consistent emotional appeals to the “nation's honour” bound to “feelings of deep gratitude and immense respect” for returning soldiers and calls for the “worthy sons of Australia to receive their due reward” ([Commonwealth of Australia, Parliamentary Debates. Senate, 23 March 1943, p.2144 \(Herbert Collett\)](#)), land settlement was afforded a quick and concrete emphasis in the early considerations of the Rural Reconstruction Commission as a specialist component of post-war reconstruction efforts ([Butlin and Schedvin, 1977, p.734](#)). In his *Rural Policy for Post-War Australia*, Prime Minister [Chifley \(1947\)](#) identified the convergence of aims for general economic and employment development with agricultural policy and development, with the core objective to raise and secure the living standards of farmers through price stabilisation and the development of markets. There was a clear inter-relation of land settlement policies and agricultural development with broader nation-building sentiments.

Farm policy during the 1950s centred upon increasing farm outputs and a move to increased closer settlement and more intensive land use ([Gruen, 1990, p.20–21](#)). This began a period of productivist agriculture whereby growth in agricultural outputs was pursued as an overt goal of government policy. This explicit prioritisation of production increases was reflected in government policy settings and, combined with significant improvements in productivity brought about by transformative technologies, consolidated a productivist logic that profoundly affected the Australian farm sector ([Pritchard et al., 2012, p.8](#)). This period saw the farm sector “installed as a pillar of national economic and social development” and, in a policy move that linked the growth of agriculture to national monetary and fiscal goals, farm policy was operationalised through a capital-intensive expansion fuelled by generous government interventions such as the introduction of bounties, depreciation allowances, the introduction of the home consumption scheme for wheat, and the introduction of various stimuli such as subsidies, import controls and dual price schemes ([Argent, 2002, p.101-2](#)). The priorities that this set of interventions represent placed agriculture as a site not just of the state's economic objectives, but also as an arena for the promotion and protection of particular producer groups within the broader economic context.

2.1.1. The New South Wales (NSW) returned services land settlement scheme

It is in this context that the post-World War II land settlement scheme for returned soldiers commenced. This scheme was designed “to encourage agricultural development” ([State Records NSW](#)) and in addition to the provision of land selection and a ‘reasonable living allowance’, involved supports such as the provision of advances by the States for working capital, making improvements, and purchasing plant and stock (Closer Settlement and Returned Soldiers' Settlement Branch). The persistence of the family-farm form that this in part represents is an important and enduring characteristic of Australian agriculture and part of a broader inheritance of British farming patterns. Similar schemes were introduced throughout the British Empire, particularly after World War I (see [Roche, 2011](#)). In Australia, the post-World War I scheme was an unqualified failure. In 1929 a government-commissioned report detailed financial losses at over twenty-eight

million pounds ([Pike, 1929, p.6](#)) and the human costs were often devastating (see for example [Lake, 1987](#); [Scates and Oppenheimer, 2016](#)). Given the significant failings of the settlement program post-World War I, it is remarkable that the scheme was re-instituted. Over 12,000 returned service personnel were settled on the land as part of the post-World War II scheme ([Waterhouse, 2005, p.208](#)). This demonstrates the pervasiveness of the belief in small-scale farming and its support at a governmental level, even as late as post-World War II, particularly as a driver of regional development and nation-building.

2.2. Neoliberalism, globalisation and agricultural production in Australia

In line with many developed countries and in response to changing international economic conditions, since the 1970s successive Australian governments followed a program of economic reform that moved away from the protectionist stance that had characterised Australia's economic development to this point. These reforms were neoliberal in nature and were critically interlaced with the intensifying globalisation of Australia's economy. Given the prevalence of these terms in various literature and disciplines and to avoid a mere polemical usage, it is important to establish a definition of neoliberalism and globalisation within this field of enquiry. [Brenner and Theodore \(2002, p.350\)](#) usefully identify the fundamental tenet of neoliberalism as “a belief that open, competitive, and unregulated markets, liberated from all forms of state interference, represent the optimal mechanism for economic development”. This belief serves as an axiom within multiple sites of expression. As indicated by [Larner \(2000\)](#), neoliberalism is a complex phenomenon that extends beyond debates about economics and state intervention to become a new form of political-economic governance based on the extension of market relationships. This complexity is similarly noted by [Springer \(2012\)](#) in his taxonomy of neoliberalism as an ideological, hegemonic project; a policy and programme; a state form; and as a form of governmentality.

Additionally, there are conceptualisations of ‘actually existing neoliberalism’ ([Brenner and Theodore, 2002](#)) that emphasise the process-dependent nature of advanced capitalist initiatives. This processual understanding of neoliberalism is defined by [Peck and Tickell \(2002\)](#) as ‘neoliberalisation’, and further identified by [Brenner et al. \(2010\)](#) as being systemically uneven or ‘variegated’ due to the uneven institutional and geo-historical landscapes upon which cumulative impacts of the process of neoliberalisation are felt. For [Brenner \(2014\)](#), neoliberalism is understood as an ongoing and contextually-specific process in that it emerges in and through collisions, in specific ways and forms, with inherited regimes and landscapes in an “ongoing transformation of inherited regulatory formations at all spatial scales” ([Brenner et al., 2010, p.183](#)). Although popular understandings of neoliberalism centre upon the idea of a retraction of the state operationalised through the core programmatic concepts of privatisation, marketisation and deregulation, it may be more useful to understand these in terms of a complex development of statecraft that provide techniques and means for “state actors to rule through the market in a way that can strengthen rather than weaken state power and authority” ([Palumbo and Scott, 2018, p.3](#)). For example, the actual outcome of supposed state retreat implied in the term ‘deregulation’, may better be understood as a “re-organisation of control” through a combination of liberalisation and re-regulation via processes of ‘juridical reregulation’ ([Vogel, 1996, p.17](#)). This is consistent with accounts of neoliberalism as a primarily political project that involves the perpetual transformation of regulatory arrangements, including the more recent phase of ‘roll-out neoliberalism’, a “robust pattern of proactive statecraft” where the agenda has gradually changed from one preoccupied with the “destruction and discreditation of Keynesian-welfarist and social-collectivist institutions ... to one concerned with the purposeful construction and consolidation of neoliberalised state forms, modes of governance and regulatory relations” (original emphasis, [Peck and Tickell, 2002, p.384](#)). This project investigates an example, and provides empirical evidence of, a localised

Download English Version:

<https://daneshyari.com/en/article/6545229>

Download Persian Version:

<https://daneshyari.com/article/6545229>

[Daneshyari.com](https://daneshyari.com)