CHAPTER 1
Challenges facing rural regional Australia in new times
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This first chapter introduces the key issues and challenges facing Australia’s rural regions. First, the underlying need to adapt to social change through learning is discussed, along with the story of a town currently facing these challenges, and what it is doing about planning for the future. International and national socioeconomic trends are then identified and discussed. Among these trends are the influence of globalisation, the decline in credibility of global markets and economic rationalism, metrocentrism and the urban drift, schooling, the revision of the nation’s literacy and numeracy requirements, the nature of work in the regions, unemployment, the policy environment, the ageing nature of the population, and shifting meanings of key concepts. The chapter finishes by setting the scene for the remainder of the book.

Introduction
Regional Australia’s population of some seven million people (and falling) has already told the nation that it has had enough. The rise of the One Nation party reflected the disenchantment with the nature and pace of social change, or ‘rural adjustment’ as it is called, being conducted by major political parties. Those parties are increasingly felt to be wielding an unrelenting economic rationalist sword. Such disenchantment is in many respects misplaced. Rural and regional areas around the world are suffering similar problems. These problems stem from the globalisation of agricultural and other markets, the resulting competitiveness for existing and shifting markets, and the loss of population from regional areas that results. As a result, there is a seemingly inevitable out-flow of economic and social infrastructure. There follows the general and familiar story of withdrawal of government and health services, shops, banks, and so on. Regional communities are portrayed as being stuck in a downward spiral of declining commodity prices, public services, commercial facilities, and political influence. Frustrated by rhetoric and policy which seems sometimes more suited to running a factory than a complex web of human beings, a number of people simply give up and walk off the land. Some stay and suffer, many others fight on.

How can people struggle against seemingly unbeatable economic odds? The whole of the national and international economic community is fixed in a scenario of change. The economic ‘trends’ are presented to the public as being fixed and inevitable. The markets simply must have their way. Such a landscape of relentless ‘adjustment’ seems levelled against any effort by individuals or their communities to stay around and fight. The message is that change is here to stay. Markets must be allowed to play out. People begin to feel as if they don’t count. But change hurts.

To cope with change, people need to engage in learning processes of both a formal and informal nature. Whether we realise it or not, all of us learn throughout our lives, and our learning contributes to our community’s stores of social capital. Each new situation or unknown entity we encounter is met by ‘adjusting’ or ‘adapting’ or ‘finding out’ about what to do about that newness. In times when we are being bombarded by more frequent and more all-encompassing newness, learning eases the burden of change, and through sound
learning processes, people come to understand the nature of the forces and influences which bring about the situation that currently affects them. Thus, the decision-making is in their own hands.

**Change through learning**

Over the last few decades, a large number of communities in regional areas have been successful in learning how to halt the slide in their communities’ fortunes. Consolidating and even developing a community under adverse economic circumstances is not easy, and is often viewed as pointless—the last ditch effort by desperate survivors. But is it? This book claims that it is indeed possible to turn around the fortunes of communities, and provides several examples of how this turnaround has been achieved in communities and regions overseas and in Australia. People have always created economic outcomes. Within the existing economic and social frameworks, the effort of people working collectively and individually can make the difference between the survival of a township, or community, and its demise. To believe the rhetoric which suggests that we simply have to sit out the effects of economic forces is akin to the case of a corporation that admits it cannot do anything strategic to plan for and improve its future.

Given the confluence of political and social conditions in Australia at present, it is possible that the time is ripe to tackle the difficult problems associated with rural and regional consolidation and sustainability. There is a growing recognition within government circles and the public at large that solutions must be armed with both economic and social measures—one of these by itself is not sufficient. However, working across economic and social sectors requires a new way of thinking about achieving collective outcomes. Social capital has recently emerged as the ‘missing ingredient’ in the blend of physical and human capital already harnessed in pursuit of social and economic wellbeing. Social capital can be used to achieve the kinds of social cohesion, trust and collective cooperative behaviour that can sustain local conditions of benefit to communities in these changing times. Building social capital is a process of learning. Alongside the other main forms of capital—physical and human—social capital is now recognised as having considerable potential to act as the ‘glue between the joints’ of society. Or, to use another analogy, it is the oil that lubricates social activity in the creation of beneficial socioeconomic outcomes.

Drawing on both the outcomes of recent research and on a record of successful community development strategies, it is possible to suggest a positive way forward—a way which might bring the sectors together as communities of learners whose purpose is to build stores of social capital and hence the capacity of communities. In turn, these stores can be used to contribute to the greater common good. It is the task of this book to set out the rationale, the challenges and some practical exemplars of ways in which this might be achieved.

The book grew from a concern that conventional sectors of activity in our country were acting in isolated ways. Schools did not blend with their communities; TAFE Institutes provided the same courses in the country as in the city regardless of the needs of the local labour markets; health services worked in isolation from education, local government and so on; business only came into contact with other sectors if they happened to be customers, or perhaps as the donor of a prize for the school speech night.

While the primary area of activity from which the book arose was the vocational education and training sector, the book’s final shape has arisen because of the nature of the times. Often called ‘new times’, the contemporary era is characterised by social, political, cultural and economic differentiation and fragmentation instead of standardisation and homogeneity.
These are times when to ignore external influences on a closed community is a precursor to the almost certain demise of that community. No sector can afford to cut itself off from the society around it. Working in new times means, however, a new kind of working, and one which requires constant learning as its partner: working with, not against; working across sectors not within; flexible, constant and fluid learning of required knowledge and roles on a ‘just-in-time’ basis; working and learning across diversity of individuals and groups not in homogenous settings.

A typical rural town?
To help fix the scene in the mind of the reader of this book, picture a small, picturesque beachside town on the eastern seaboard of Australia. The town is real, but stays anonymous for our purpose here. It is located on a large bay, with beaches and oceans nearby. The population of the town is 2100 people in winter but more than 10 000 in summer. There are two country supermarkets in town, one chemist, one medical practice (there were two until recently), a small hospital (under threat), a handful of specialty shops, two public utilities, three banks, two secondhand furniture outlets, and two pubs. The town is lucky that it retains so much business activity, as it is the centre of a much larger regional hinterland of 3000 people, whose smaller towns have seen much more severe closures and withdrawals.

The health and wellbeing of the whole community depends on the supply of funding and services of various kinds. Funding and services flow to the community through several different streams, sectors, programs and sources: education, health, medical, training, volunteer, aged care, commercial, and more importantly via three tiers of government. On investigation, it is discovered that the delivery of these streams of funding and services rarely if ever intersects. In fact, ‘the local experts’, those in town who know everything about everything, tell us that the right hand simply does not know what the left hand is doing. There is little or no coordination or rationalisation between the sources, and the local experts know how much money, goodwill and resources are duplicated or wasted.

The town has a history of internal social and economic difficulties. It has a very low per capita income, a high proportion of welfare recipients, and a high proportion of unemployed, especially youth unemployed. Its fishing fleet has been reduced. Its summer tourist influx has diminished. One by one, businesses closed, the community’s youth had to leave in increasing numbers to access further education, and teachers dreaded more than ever being posted ‘out there’ to the sticks. Health services and a supermarket closed their doors, several other small businesses closed, and government services stopped or shrunk. More people in families took on paid work, for less hourly pay. There was less time for talk, less time for kids, less time to help out in the community. The pool of volunteers decreased. Community groups ceased or became skeletal. The older male public community leaders tried for a decade or more to repair the damage, to no effect. Old strategies no longer worked. Nothing that had once worked seemed to work any more.

Recently, two events in the community signalled a change. The first event was a bitter division over a development. ‘Jobs will be created in this industry’, said some. ‘Jobs will be lost through defacing the environment’, said others. The community, divided though it was, formed into interest groups who, for two years now, have worked rallying support and meeting frequently to fight for their case. Of course, the central focus of each faction was on the future good of the town. External resources were drawn on by both sides: new information had to be gathered, politicians lobbied, experts consulted, and research found, commissioned and used for each faction’s case. People were volunteering for roles they had never seen themselves carrying out before. Community interaction was at an all-time high.
The community’s capacity had been developed. In the course of several months, the situation was resolved (unsatisfactorily to one faction, of course) by the State government, but the tension in the town remains.

Not long after, there was a whole-community project to raise money for a kids’ skate park. The target was reached in a few short months, as the community interactivity was at an all-time high. Local youth now use the skate park, and the word has spread—youth from outside the community come to use it as well. Since this apparently small success, the local government has initiated a community-based strategic planning process which, it claims, must be driven and owned by the community. A townscape has been commissioned and tabled, an industry audit completed, and on the basis of the information from these, various government grants applied for. There is a new air of optimism starting to be heard in the streets and shops.

From this case, it is possible to see evidence of the social and economic outcomes of people learning through their interactions across the different sections of the community, in pursuit of varying common purposes. Their capacity to act has been developed and broadened. Their knowledge and sources of knowledge have expanded and been applied to different yet purposeful tasks and activities. Their personal and collective identities have altered so as to be able to act in different ways and to facilitate action and permit future action. Their talk about their work and leisure activities, and learning about each other’s funding and programs, produces not only more cost-effective solutions to social and economic problems, but provides the social infrastructure for further learning and implementation of local solutions to those problems. In many respects, this community is showing the signs of becoming a learning community.

Societies and regions are made up of communities like the one described, and they have the potential to learn new ways of becoming sustainable. Yet social and economic well-being do not occur in a vacuum. It is the result of social processes. Achieving sustainable social and economic outcomes for communities across Australia is only possible by dealing with the social processes of the community as a whole, not simply with its parts in isolation.

The challenges

In order to manage change in the complex environment of a living, dynamic community, it is first of all essential to understand those dynamics. Why are they the way they are? What is the relationship between the local behaviour and the broader national and international socioeconomic scenario? Under conditions of rapid change to social and economic circumstances, there are particular social and economic trends which can be identified. All are evident in communities and regions. All affect each other, and the potential—the capacity—of the community to constructively manage its development. This section now describes the nine main socioeconomic trends and challenges as I see them.

1. Globalisation, declining credibility of markets and economic rationalism

The fixed and all-pervading influence on regional and community development is the instant nature of global communication and the instant availability of knowledge and information through electronic means, especially the Internet. This has altered forever the nature and operation of the economic scenario, the financial sector and the way we talk about ‘difference’ and ‘diversity’ of groups, cultures and ethnicity. However, there has been, partly as a result, the start of an apparent decline in the credibility of global markets—a recognition that they are failing to support economic predictions. There is the related failure of the ‘export or bust’ scenario to cure economic woes, and a mixed
outcome for the so-called ‘Asian crisis’ which seems to have had nothing but a good effect on Australia. The decline in public support or credibility of economic rationalism, along with the perception of political processes as being somewhat elitist and sophist, has seen the desperation of sections of both the rural and urban communities. This desperation has resulted in a large number of people opting for apparently shallow, ideologically myopic, single-purpose and fringe political parties typical of ‘closed community’ thinking. Closed communities typically ignore externalities.

The challenge for regions and communities is to balance the need for external information and influences with the need for a sense of ‘place’—the need for individual and group identity in a community-of-common-purpose. Yes, we are all members of various real and virtual communities, but it would be a fatal mistake to discard people’s expressed grief over the ‘loss of community’ as being simply emotional nonsense. Place and identity count, and must be accounted for in the process of responding to change. Chapter 13 describes how this challenge is met in different countries.

2. Metrocentrism and urban drift

The balance between an agrarian society and an urban one has been tilted in favour of an all-pervading metrocentric one, tinged with more than a little old fashioned classism. Decision-making, leadership styles, economic and social policy, education and training provision, health and business, are informed by an insidious and pervasive view of the city-as-centre. The nature of our geography has imposed a pattern of social, cultural and economic activity that places high levels of dependence on a relationship of mutual dependence between ‘the bush’ and ‘the city’. Caught in the decline of government, health, education, training and commercial services caused by so-called ‘thin markets’, youth must leave the country in increasing numbers, volunteer numbers are reduced, and rural poverty remains an unrecognised and un-talked about phenomenon.

Paradoxically, rural problems are not contained to rural areas. Corresponding problems are caused in urban areas, cities, suburbs and larger centres in relation to housing, health, transport, schooling, and social concerns such as drugs, alcohol and homelessness.

The challenge inherent in this social trend is to construct local identities of people and places which stand in their own right, and do not only depend on the stereotypical ‘rural/urban’ binary for their existence. Chapter 22 contains a number of examples of how this challenge has been met, including the example of the ‘Believe It!’ campaign which is a good case in point.

3. Schooling

Once the place of unfettered and non-politicised general education, schools have become sites of contest between governments, teachers, parents and students. The same sets of statistics are used by the opposing forces to support contradictory positions, as instanced by the literacy debate with the national literacy test results and the government’s use of them. As Norton Grubb says in Chapter 6 of this book, ‘schools are often used to enhance economic development (which) is usually counterproductive’. However, the battle about general versus vocational education is now located firmly in schools. The effects of the institution of schooling on rural areas are mainly caused by the centralised nature of the system, where staffing, curriculum and resources are managed more or less from the ‘Head Office’. Even when resources are ‘managed’ out of regional offices, these offices usually reflect a high level of centralist policy and
practices, with some encouraging recent exceptions. Simplified and over-characterised, schooling tends to:

- be for the ‘mainstream’ (that is, non-rural);
- emphasise ‘basic skills’, namely those particular basic skills more appropriate to an urban and large-industry set of values and outcomes rather than the diverse and complex mixed-skill occupations of rural areas;
- be centralised not regionalised;
- be less integrated with community in respect to staff, curriculum and resources, and
- be resourced for those students who are ‘good with their heads’ rather than those who are ‘good with their hands’, thus valuing non-vocational education and training outcomes as opposed to vocational.

4. Revision of the nation’s literacy and numeracy needs

There is no question about the fact that the nation’s literacy and numeracy needs have changed. The problem is that ‘literacy levels’ have been measured by tests which measure some aspects of literacy and numeracy, such as technical skills, but not those aspects of literacy and numeracy which are so crucial to work, leisure and civic life in new times, such as how to find and gather knowledge, how to work with diverse peoples, how to make judgements about what is important knowledge for particular and changing situations, how to solve problems, and how to become competent at ‘civic literacy’. Politicians, constrained by the power of the tests, know the requirements for literacies and numeracies has expanded. They have no option but to move the goal posts—the rules by which judgements about literacy are made. Higher ‘benchmarks’ are selected, on the basis that these skills are now the ones required for a functional working and civic life. Unfortunately, the tests themselves actually prove that the skills they measure have not been depleted over the last decade or so. Teachers and schools have in fact raised the levels of those ‘basic skills’. Nevertheless, governments and much of the public still blame schools for a perceived failure, and for the welfare recipients who are not able to acquire the revised and required literacies and numeracies.

The challenge here is for schools to work closely with their regions and communities to help achieve common goals. Chapters 17 and 18 provide some excellent examples of how this can be achieved.

5. Nature of work

Most of us now recognise how the nature of existing work is changing qualitatively and quantitatively. First, the nature of the available work is changing in broad terms from manual to knowledge work. Second, the availability of work itself is on the decline. Jobs are simply less available, a condition apparently more prevalent in rural areas. What we have not come to grips with as a society is the consequence of permanently changed ‘work’. By continuing with the charade that we can achieve something close to full—high at least—employment, we are creating a growing underclass of people who will never be in paid employment. Politicians will essentially promote policies which they expect will gain the public’s vote, including reactionary stances, notably, a reproduction of the desirability of ‘paid work’. While elections and policies are fought on the battleground of ‘paid work’, we can never come to grips with the reintegration of the adult population who self-identify as worthless in relation to work. Mike Steketee, (2000) summarises a number of sources on poverty and unemployment. He notes that some areas have an entrenched culture of unemployment explainable in the context that
they are now into their fourth generation where no member of their family has been employed.

To meet this challenge, what is required is a visionary shift in the nature of ‘what counts as work’, where contributions to community of many kinds are equally as valued and rewarded as ‘paid work’ is now. Chapter 5 and Chapter 23 on leadership, help us understand how to work towards such a new vision.

6. Unemployment

Unemployment is a discreet and important category of ‘nature of work’ (above). It is forecast that, far from governments being able to significantly reduce unemployment, it will actually increase (Rifkin 1999). For rural communities, the trend is to lose youth to the cities as they seek opportunities related to employment, education and training, and leisure. As a result, in rural communities the unemployed are likely to be more visible, whether young or old.

The challenge is not how do we create more jobs, so much as how do we restructure our thinking and communities so that there is not such a stigma attached to being unemployed. The nature of ‘work’ has to change so that productive work but not necessarily ‘paid work’ in the traditional sense, is seen to be valued by our society. It must be valued so that the current unemployed ‘underclass’ are reintegrated into and involved with their community’s goals. Chapter 7 helps us understand the effects of this social deception on our youth.

7. Policy/program environment

Governments at all levels recognise that they have to respond to an ambivalent set of conditions and electors. Electors want to see the problems addressed quickly, so political change happens more quickly than ever before. Politicians, aware that the electorate is weary of change, often rely on a reactionary or traditional platform to carry the day. As well, the social trend to chop and change the policy environment in response to changing circumstances seems to have quite deleterious effects in its own right. For example, changes to conditions of training and learning provision for the unemployed have resulted in the recipients being denied access to the very same lifelong learning which is the subject of the policy rhetoric.

Similarly, there are contradictory policy messages indicated by, for example, media reports. On the one hand, there is talk of devolving power to the community level. This fits with the need to devolve costs through promoting community participation in establishing local solutions to local problems. However, there does not seem to be a parallel devolution of resources to support these moves. The net effect, as perceived at the community level, is still one of ‘top down’ rather than ‘community driven’. Chapters 2, 3 and 4 explain the need for a new rationale to redress the narrow focus of the past.

The challenge in this scenario is to use the best of the story and avoid the pitfalls. The best is the community working together to achieve its own ends—becoming empowered if you like. The pitfall is not to lose access to sources of funds to help in these processes, nor to allow political leaders to use community processes as a reason to reduce resources.
8. Ageing population
As the baby boomers work their way through the population (a huge question in itself) the challenges related to this growing group include questions of health infrastructure, the appropriate use of enforced or voluntary additional time and leisure opportunities, the rise in impact of grey lobby groups, and paradoxically, the effects on youth of decreased resources resulting from the need to resource ‘grey power’. The need to incorporate the skills and expertise of the ageing population towards community ends, while balancing the need to involve youth fully in these activities, will remain a local preoccupation.

9. Revised meanings of words such as community, environment, rurality, family, gender, leadership and work
Social institutions such as family, marriage and gender have changed. Through technological and scientific discoveries, our perceptions of many other concepts have also changed, such as the ‘environment’. Changes to our understandings of these concepts is fundamental to this discussion. These changed perceptions result in contention around these words, which become issues in themselves, and then challenges. For example, words such as ‘environment’ were not contentious once. Now they are. Confusion results from differing perceptions of these terms. Consensus about meanings often must be achieved before rational discussion or planning can occur.

Challenges stemming from changing meanings include impacts on responsiveness to change. People react to fast change by returning to the security of closed communities.

Finally, the nature and role of leadership has shifted from a quite general perception of civic leadership as being the ‘mover and shaker’ to one of the need for a multiple view of leadership which sees different roles for different leaders in different situations, with skills in working across groups and sectors, not simply within one. This point is made by a number of chapter contributors in this book.

The significance of social capital
It is worthy of note that of the forms of capital referred to in this paper—physical (economic), human and social—social capital is the least researched of all. In other words, it has a recognised role in actually enhancing and producing socioeconomic outcomes, yet it is not measured by traditional economic or social measures. Many of the chapter contributors in this book explain their views on how social capital can be built and used towards the wellbeing of communities and regions, including Bawden, Geno and Perkins. Many others explain how their ideas contribute to the conditions which make social capital production possible, such as Courvisanos. Specific sectoral views, by those such as Grubb, Grace, Kilpatrick and Bell, Bradbery, and Fletcher and Molloy, illustrate the significance of those sectors in presenting other challenges or issues that must be planned into change processes.

In Part Three of the book, the success stories set out a variety of cases where some successful action was taken that resulted in community or regional improvement. Each of these instances, large or small, contributes in some way towards making explicit the complexities and dynamics of working with and across whole communities.
Implications for regional sustainability

All the success stories in Part Three of this volume contain the following threads or themes that are common to successful instances of community and regional development activities and projects:

• Locally developed solutions are essential for successful projects, including the study of what incentives or rewards actually work with different potential users. Potential users include volunteer groups.

• There are explicit forms of encouraging community processes, networks and opportunities to get together through planned events and networks.

• All aspects and dimensions of each community are integrated through purposeful activities.

• The full depth of each community’s historical knowledge is available to the participants in the process.

The processes implemented integrate external and internal community processes, taking account of the external environment while celebrating local place, history and identity.

Summary

Achieving sustainable and desirable socioeconomic conditions for Australia’s rural regions in new times requires constant learning and working across sectors and groups. It requires a consideration of people as having a need for their ‘place’, not just linked through virtual networks. Our understanding of the nature of learning has changed. Not so many years ago, learning was seen as the fixed and formally acquired knowledge, skills and attitudes gained at school, TAFE or university. More recently, there has arisen a legitimate field of study related to learning in workplaces, learning organisations and even learning societies. Increasingly, learning is ‘lifelong’, occurs constantly, and is a resource in adjusting to change. As communities and regions learn how to adjust to change, they too will need to explicitly and collectively recognise that learning is their most valuable and integral resource, and plan accordingly.

References
