



*Social Inclusion and
Place Based Disadvantage:
The Australian context*

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Paul Smyth, The Australian Context

The social inclusion and place based disadvantage workshop was held on the 13th of June 2008 at the Metropole Conference Centre in Fitzroy, Victoria, under the auspices of the Brotherhood of St Laurence's Research & Policy Centre and the Victorian Government's Department of Planning & Community Development. It was hosted by Paul Smyth, facilitated by Allison McClelland, and coordinated by Kristine Philipp. These proceedings are aimed at fostering, informing and stimulating public reflection, discussion, debate, research, and policy initiatives to address one of the central challenges facing contemporary Australian governments, industries and communities.

The following papers were presented at the workshop:

Associate Professor Scott Baum – Making space for social inclusion.

Dr Zoë Morrison – Place, social inclusion and 'cultural justice': reflections on the British experience – a place-based social exclusion policy case study

Professor Paul Smyth – Social inclusion down under

Professor Ruth Fincher – Issues of scale: a place-based view of social inclusion centred on redistribution, recognition and encounter

Mr Damian Ferrie – Social inclusion and place-based disadvantage: what we have already done that is valuable for the future

Dr Tim Reddel – Reframing governance and service delivery by 'place and partnership': some ideas and lessons from Queensland

Professor William Mitchell – A return to full employment is a precondition for social inclusion

Dr Jo Barraket – Social inclusion, employment and social enterprise

Mr Tom Bentleigh – Places and mainstream services

Professor John Wiseman – Strengthening social inclusion through place based action to improve mainstream services

Professor Bill Randolph – Locating social exclusion: the case of Sydney

Dr Kathy Arthurson – Urban regeneration, scale and balancing social mix

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Introduction

The workshop comes at a critical time in the development of Australian place based policies to tackle disadvantage in Australia. For about a decade, State governments – and to a lesser extent, the Commonwealth - have led a resurgence of activity in policies designed to strengthen ‘neighbourhoods’ and ‘community’. This activity had various sources. Some related to new ways of doing government; others to the goals of social and economic policy.

If not always named as such, a developing thread has been the social inclusion agenda which has now been taken up by the Rudd government as THE framework for its rethinking of policies to tackle disadvantage in Australia. A Social Inclusion Board has been appointed and geographical or place based exclusion named as one of its first three priority areas.

At this juncture, a number of critical questions arise:

- what we have learned about place based interventions over the last decade both here and overseas?
- Was ‘place’ becoming marginal as a site of social policy intervention?
- what is social inclusion?
- Does it represent an opportunity to simply scale up proven programs; or,
- Will it bring a different way of thinking about policies to address place based disadvantage?
- In particular, will we seek a better articulation between ‘place based’ interventions and ‘people based’ social inclusion initiatives designed to address mainstream services and economic development?

Social Inclusion: the Concept

While it is common to say that social inclusion is difficult to define, the difficulty should not be overstated. Often it is simply the initial difficulty people always experience when assimilating new ways of thinking about familiar things. Whilst there may be areas of dispute remaining among the academic experts, the main outline of the social inclusion approach can be grasped easily:

- an understanding that money based poverty measures are too narrow
- and that exclusion as a ‘joined up ‘ problem: ‘Social exclusion is a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health, poverty and family breakdown. In the past, governments have had policies that tried to deal with each of these problems

individually, but have been less successful at tackling the complicated links between them, or preventing them arising in the first place.’

In terms of measurement this broader approach to understanding poverty is reflected in the key indicators of the major studies in the UK:

LSE measures (Burchardt Le Grand and Piachaud (2002))

- Consumption (capacity to buy goods and services and savings)
- Production (economic participation and socially valued activities)
- Political engagement (local –national decision making)
- Social (family, friends, neighbours)

UK Poverty and social exclusion measures (Gordon et al 2000)

- Impoverishment (material resources)
- Labour market exclusion
- Service exclusion
- Exclusion from social relationships

In Australia, while there has been a history of policy innovation relating to place based disadvantage there has been a slower take up of social exclusion as a new framework for poverty research (see Saunders et al (2007)).

The overall strengths of the social exclusion approach have been identified in terms of:

Identification of multiple, interacting barriers to inclusion
Focus on different dynamics affecting different excluded groups
Identification of social cohesion and solidarity as important for inclusion
Emphasis on importance of agency not just structural barriers/enablers

For our purposes the approach has been important for identifying ‘place’ as a factor in exclusion; a point well explained by Griggs et al (2008) in their discussion of **people and place**:

‘The reality, of course, is that people live in places, contribute to places and are affected by places. Poverty and disadvantage are mediated by place, and places are affected by the poverty or otherwise of their inhabitants. Hence it is reasonable to suspect that policies that dissociate people from places and vice versa may perform poorly’ (p.1).

Social Inclusion: policy implications

The confusion surrounding the term has less to do with definition and measurement and more with causal explanations and policy response. The concept is notoriously ambiguous in political terms – hence its attraction to politicians – as the analysis of Levitas (1998) revealed. She identified a discourse framed in terms of blaming the victims (Moral Underclass Discourse); of simple ‘welfare to work’ (Social Integration Discourse); and of redistribution from rich to poor (Redistributive Discourse). Over time this very ‘wooliness’ can lead to social inclusion slipping down a government’s list of priorities (Daly 2007).

In this regard it is highly likely that the social inclusion approach of the Rudd Government will be argued along lines familiar from overseas experience i.e.

Against

- It lends itself to a ‘blaming the victim’ approach
- Its emphasis on the non-monetary drivers of exclusion can be used to denigrate the importance of government income support
- Its emphasis on agency and ‘capability’ can be used to privilege participation and cohesion at the expense of equality and social justice.

For

- Complements policies focussed on money entitlements with investment in services to enable citizens to actualize capabilities (broadly understood)
- Brings on investment in the relational aspects of inclusion: community capacity, trust, social capital etc
- Promotes people-centred, personalised participatory, service delivery
- Looks to decentralised, reflexive, networked modes of community engagement which listens to local aspirations
- Integrates the new politics of representation encouraged by associational governance with the politics of redistribution encouraged by the rights based approach.

Social inclusion in Australia: the Rudd Government

Speeches by the Minister responsible for Social Inclusion, Julia Gillard, evidence the way in which social exclusion has found its way into Labor thinking. We see there both the

new understanding of disadvantage, the emphasis on place based exclusion but also a more characteristically Australian emphasis on the economic value of social inclusion.

Thus Gillard spoke of a **new understanding of disadvantage** in terms of:

- The need for more than income support to be effective in removing social exclusion
- An active social policy focussing on re-engagement in social and economic participation
- all Australians having access to secure employment; services; social connection to family, friends, work places and communities; the resources to deal with personal crises such as ill health, bereavement or the loss of a job; and to have their voice heard.
- The concept of social inclusion ‘replacing a welfarist approach to helping the underprivileged with one of investing in them and their communities to bring them into the mainstream’

From the outset **place based disadvantage** has played a prominent role in the early formulations of the Rudd Government’s approach to social inclusion.

Writings of Swan (2005) detailed The Splintering of a Nation; while speeches by Julia Gillard, have highlighted the work of Tony Vinson in his Dropping off the Edge report as a key influence on Labor’s approach.

General place based priorities identified by Gillard are to tackle:

- Persistent, deep exclusion in certain postcode areas, and
- The plight of families in new housing estates where services run behind growth and there is no developed sense of community and connection.

Individual place based policy samples emphasise adapting mainstream services to local circumstances of exclusion; eg:

- Ending low rates of preschool education, literacy and numeracy, school engagement and school retention through targeted community based programs.
- Introducing a preventative health approach which makes services accessible to those in rural and outer suburban communities.
- Ensure access to computers in disadvantaged communities

And in keeping with the social inclusion model, **a new approach to governance** will involve a recognition that the policy answers to exclusion will be found ‘outside the walls’ of the bureaucracy. In this spirit,

- The Social Inclusion Board will meet in the places characterised by exclusion
- Canberra based public servants will do some time in ‘socially excluded communities’.

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- A new partnership with the community sector will be formed with community organizations understood to be major service providers and economic drivers in what is called ‘the social economy’.

Not just postcode poverty but social exclusion in general

While emphasising that Labor’s social inclusion effort will focus on ‘the likes of those neighbourhoods and communities that Tony Vinson has mapped’, Gillard also makes clear that ‘the social inclusion agenda doesn’t start or end with ... postcodes’.

Suggesting that social inclusion is more a framework for the renewal of social policy as a whole, Gillard indicates that policy will also tackle social exclusion linked to:

- racism or discrimination
- disability
- ageing
- sole parenthood
- housing affordability
- rising cost of everyday expenditure items
- wages and working conditions

Australian emphasis on the economics of social inclusion

The European Union and UK government early iterations of social inclusion began a decade ago at the height of economic neoliberalism. While they sought to elevate social inclusion to parity with economic objectives this was more on grounds of social morality than economic rationality. Developing its social inclusion approach a decade later has allowed Labor to observe that social inclusion can have an economic as much as a social justification. Critical here was the development of the COAG national reform Agenda in 2006 which observed that Australia’s ‘third wave’ of productivity improvement depended upon improving its human capital.

Thus Gillard spoke of:

- ‘a modern and fresh approach’ in which everyone is understood as a potential wealth creator and government invests in their human capital
- employment as a foundation of social inclusion
- the economic logic for this being strengthened by Australia’s skills shortage and ageing population
- the economic goal of ‘**raising national prosperity**’ and the social goal of ‘**creating a fair and decent society**’ going hand in hand.

Summary features of the Labor approach:

- the importance of addressing the spatial aspects of disadvantage
- emphasis on the economic returns of investing in social inclusion

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- focus on employment as one of the key foundations of an inclusive society
 - strong emphasis on access to key services
 - emphasis on the need for new governance models to tailor services to local need

Place based Policy: Australian context

Pre-History:

- Regional economic planning in Keynesian period 1940s-1970s
- Regional policy in the welfare state 1970s :The Australian Assistance Plan
- 1980s ‘eclipse of the equality objective’
- Working Nation and Better Cities Program
- economic rationalism and abandonment of regional policy in the 1996 budget

Return of place based policy: Commonwealth

- impact of One Nation Party
- 2000 National Regional Summit
- Stronger Families and Communities Strategy

States

- **Queensland**
- **Victoria Govt**
- **South Australia SIB**
- **NSW**
- **Tasmania**

While this phase of place based policy making in Australia has not been researched in a comprehensive way the experience has likely varied from jurisdiction to jurisdiction. Queensland, for example, was earlier more influenced by social inclusion thinking; while Victoria had a greater emphasis on building social capital (Smyth, Reddel and Jones 2006). However there were also some common emphases which have shaped the Australian policy context prior to Labor’s adoption of the social inclusion agenda.

Arguably more emphasis attached to new ways of governing than to policy goals

- There was an early emphasis on devolving government to local ‘place managers’ which was as much an argument for a more ‘enabling state’ than a response to place based poverty (see Latham; Botsman);
- This was followed by a push for ‘joined up government’. This reflected the social exclusion understanding of poverty as a ‘joined up’ problem and reached a peak with the COAG trials
- As we see from the Gillard account, this emphasis on joining up government has now been enlarged through a focus on government partnerships with business, the community sector and volunteers in the ‘networked’ governance approach. Overlaying this is the opportunity presented by the new federalism.

In terms of place based social policy goals eg:

- Earlier developments were coloured by pervasive influence of economic rationalism: at commonwealth level, ‘ending welfare dependency’ defined as central issue. In this phase social policy promoted various forms of ‘negative liberty’ (i.e. freedom from government) in a variety of ways eg anti-state forms of communitarianism, welfare paternalism-tough love etc
- Later emphases on the importance of building trust and social capital (Putnam) for both individual and social health provided a new focus for place based policy. Wiseman and Klein’s account of place based policy in Victoria shows how in this approach, success was measured in terms of key community strength indicators. Here a positive relationship is assumed between ‘social connectedness, health and wellbeing outcomes’.
- Wiseman’s evaluation of this policy framework suggests that local interventions whose main focus is strengthening social connectedness can have real but limited outcomes: they can have particular value in overcoming social and civic deficits but cannot substitute for action by government around tax, income support, social services etc
- Here Gillard’s social inclusion framework points the way to a new integration of place based initiatives to do with social connectedness with people based mainstream services. In this approach investment in social services is reconstructed as a ‘positive welfare’ enabling all individuals to be included. Overcoming poverty is about more than money and involves access to necessary services. So, just as we have been able to work out the minimum income people need for inclusion, this

approach suggests we also **calculate the ‘basket of services’** people need; and, as planners like Whitzman show, this can be done **on a place basis**.

In terms of place based economic policy goals:

- as with social policy, the economic possibilities of place based initiatives were initially overshadowed by the deregulatory economics associated with National Competition Policy which entirely displaced the kind of top down regional economic planning mooted in Working Nation (1994).
- More latterly economists associated with ‘new regionalism’ have drawn on evolutionary and endogenous growth theories to show how some forms of regulation might enhance regional economic performance; while Richard Florida has made the economic case for promoting the ‘creative classes’. Arguably these theories have had limited purchase on place based policies and seem to have had little overlap with place based social policy.
- In terms of Labor’s approach to social inclusion going forward this would appear to be a major gap. Its central tenet is the integration of social with economic policy. While this argument may have been won at the level of people based spending eg returns on investment in the early years, it would appear that the work still needs to be done to develop and implement models of **place based economic investment** which can contribute to social inclusion.

In Sum:

The recent Griggs et al (2008) examination of people and place based policies in the UK focussed on employment, education, income and living standards. It found that person and place based policies ‘have been developed separately and sometimes in isolation from each other’, indeed, ‘no more than one or two initiatives have explicitly sought the logical synergies between people and place’. If it were done an Australian study might find the same.

Until now Australian policies have tended to focus on developing local social capital or connectedness. To be taken up into the social inclusion framework these place activities have to be integrated with those mainstream social services access to which is understood to be central to social inclusion. However current Labor thinking emphasises that ending place based exclusion is not only a job for social policy. Social and economic inclusion must go together.

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