Calculating Climate: 'Advanced Liberalism' and the Governing of Risk in Australian Drought Policy

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Abstract

For most of this century, governments in Australia have treated drought as a 'natural disaster', an event that can best be dealt with through *public* forms of financial assistance. However, following a Review of Natural Disaster Relief Arrangements in 1990 the official definition of drought was changed to a 'manageable risk' that farmers were seen to be able to predict and control through formal business planning techniques. Through the use of the literature on governmentality, this paper argues that such a shift was of crucial significance in changing the rationalities and technologies of drought management. Farmers were, from this point, constituted as key agents in the management of risk. However, the paper argues also that drought as a natural disaster was not completely abandoned and continues to remain important in defining the limits of drought as a managed risk, and in calling into question the capacities of farmers to plan for so-called exceptional events. This contestation of managed risk shows one of the ways in which advanced liberal forms of rule can be shaped in a 'social' manner.

Introduction

Climatic variation represents a pervasive and recurring feature of the Australian farming environment. The temporal and spatial impact of such variations on primary production has led to the emergence of drought as a permanent and national problem for governments in stabilising and regulating production (see West and Smith 1996; West and Smith 1997). In fact, governments have been long involved in ensuring that commodity production remains stable, and does not suffer as the result of adverse seasonal conditions. For the most part, assistance has been provided by State governments in the form of subsidies, grants and loans, and coordinated Federally through the Natural Disaster Relief Arrangements (NDRA).

Until the 1990s, drought was governed at an institutional level as a 'natural disaster', a variable event that could not be totally planned for by producers, and that could be best responded to through collective forms of support. Underpinning this position was a belief by producers and governments that the cost of such disasters should be borne by government through the use of public monies (Stehlik et al. 1999: 33). This belief, however, and its associated forms of intervention, experienced a fundamental shift in 1990 following a review of Natural Disaster Relief Arrangements. The Task Force commissioned to undertake a review of drought policy (see Commonwealth of Australia 1990) recommended that drought should be seen as a 'manageable risk' that farmers could predict, plan for and control through the adoption of particular business management techniques. This was a highly significant change in the way drought was both reflected upon and regulated. From this point, the relationship between state agencies, producers and farm management was fundamentally re-configured.

Through the use of Rose (1993; 1996; 1999) and Dean's (1997; 1999) Foucauldian-inspired writings on governmentality, I propose in this paper to analyse, primarily through a review of policy documents, how drought as a 'manageable risk' was, from 1990, constituted and deployed as an advanced liberal strategy to govern the boundaries of farm viability. The governmentality literature draws attention not only to the ways in which 'problems' such as drought are reflected upon and rendered knowable objects of governance, but also the technologies that seek to transform these mentalities of rule into a programmatic form for shaping conduct. In considering managed risk as a strategy for governing the conduct of farmers, it is important not to treat it either as a unified program of rule or as having clearly defined boundaries that render it separate from drought as a natural disaster. This paper also, therefore, examines how drought as a natural disaster continues to be deployed in agri-political discourse, and its significance in calling into question and re-defining the boundaries of managed risk. The conceptual utility of this approach lies in its analysis of drought as a relational and shifting site of regulation, without making *a priori* assumptions concerning the cause of such change. Specifically, this paper has three objectives. To examine, 1) the rationalities and technologies of governing through which drought was constituted as a problem of individual risk management; 2) the ways in which this construction of drought defined viable and unviable farms and farmers; and, 3) how these boundaries were contested and shaped. Before addressing these objectives, it is necessary to outline the analytical framework that guides this paper.

Governing and the Regulation of Risk

The analytical framework used in this paper seeks to conceptualise drought as a risk that has been rendered calculable and governable, and has sought to shape the conduct of farmers in particular ways. In recent years the concept of risk has assumed an increasingly prominent place in sociology and, particularly, in sociological studies of environmental issues and conflicts (eg. Lash et al. 1996). Ulrich Beck's (1992; see also Beck 1996) *Risk Society* is perhaps the most well known body of work in this area having had a considerable impact on how environmental risk is conceptualised. Briefly, Beck (1992) argues that there are two phases of modernisation; classical modernisation and reflexive modernisation. Within classical modernisation the logic of wealth production dominates the production of risks. While economic growth is seen to generate hazards, these are regarded as necessary, but small-scale, outcomes of progress that are calculable and therefore controllable through the application of an instrumental scientific rationality. This relationship is reversed under reflexive modernisation. As techno-economic progress proceeds, the production and distribution of risks begins to dominate wealth production and results in what Beck calls the *risk society*. Risks begin to have global effects and their calculation and control is seen as increasingly problematic. Science here is targeted as not only a cause of problems, but also as the source of solutions to problems (Beck 1992: 156).

While Beck's analysis may be compelling at a very broad level of abstraction (ie. at the 'global' level), it tends to overlook the more subtle ways in which risks are defined, regulated and contested. As Dean (1999: 181-2) notes, Beck's work rests on three major assumptions: first, the totalising assumption that risk should be approached within a

narrative of modernisation; second, the assumption that the characteristics of risk are uniform across a particular society; and, third, the realist assumption that the reason why a risk society has emerged is because real riskiness has increased.

Rather than conceptualising risk as a real phenomenon that increases, but becomes less calculable, as part of universal modernisation processes, the objective of this paper is to argue that environmental risks, such as drought, are rendered knowable and shaped through more specific strategies of governing. It is these strategies that define and re-define the discursive and material boundaries of so-called risky events and behaviour. This type of analysis has broader applicability to other environmental and social issues such as in the construction of farming 'best practice' (see Lockie 1998). A governmentality approach to the analysis of risk emerged through the work of Ewald (1991) and O'Malley (1992). However, it has been developed recently by Dean (1999: 177) who persuasively argues:

> There is no such thing as risk in reality…. Risk is a way – or rather, a set of different ways – of ordering reality, of rendering it into a calculable form. It is a way of representing events in a certain form so that they might be made governable in particular ways, with particular techniques and for particular goals.

According to this approach, the division between incalculable and calculable risks is a false dichotomy as all risks are calculable. That is to say, for a phenomenon to be considered a risk, an amalgam of calculations and knowledges must be deployed. It is therefore necessary to examine the rationalities and technologies through which particular risks are constituted and brought into the domain of calculation.

Strategies that seek to govern risk through individuals, as is the case with drought in Australia following 1990, accord with what Rose (1993; 1996; 1999), Dean (1997; 1999) and others call an 'advanced liberal' rationality of governing that attempts to govern through the regulated and accountable choices of individuals. This is to be contrasted with 'social' rationalities of governing in which the economic security of national populations is secured through collective forms of intervention such as a welfare state. Here, social and economic objectives are constructed as mutually reinforcing goals (Dean 1999: 150). Risk is collectivised through technologies such as social insurance.

A key aspect of an advanced liberal rationality of governing is its calling into question of the claim that the economic security of populations can be enhanced through governing in the name of the social. Objectives of economic efficiency and social security are viewed increasingly as antagonistic with the latter constituted as a potential threat to the entrepreneurial capacities of individuals. To ensure that individual economic capacities are optimised, one is 'empowered' through economic expertise to manage rationally one's life through 'certain professionally ratified mental, ethical and practical techniques for active self-management' (Rose 1996: 295). The locus of risk is shifted to the individual who is expected to manage his or her life in an entrepreneurial manner and develop the capacities for active citizenship. Those who are deemed not to have the capacities to conduct themselves in an entrepreneurial manner are designated as targeted populations (Dean 1997, 1999), high risk groups who require extra tutelage by experts to train them in the art of risk minimisation. O'Malley (1992) refers to the alignment of risk technologies with advanced liberal rationalities of governing as the 'new prudentialism'. However, while this might suggest that we are witnessing a 'death of the social' (Rose,

1996), sociologists such as Dean (1997; 1999) and Stenson and Watt (1999) are more sceptical, arguing that social government remains an important domain of knowledge, and set of practices, even if it has been re-configured. In fact, Stenson and Watt (1999) suggest it may be more useful to investigate governing as a set of hybrid logics and practices, in which the social operates in a shifting relationship with other political rationalities and technologies. It is argued in the final section of this paper that in the case of drought, a social rationality of governing has been central in constituting and shaping the limits of manageable risk.

To summarise thus far, risk, as a rationality of an advanced liberal form of governing, is a means for making up so-called active citizens who have the capacities to govern themselves. Everyone is potentially at risk, but those that are especially targeted are individuals who are deemed not to have the capacities to adopt a more personalised approach to risk. What are the technologies of risk that seek to stabilise these rationalities in a material form? Drawing on the work of Mitchell Dean (1997; 1999) there are three technologies, not necessarily mutually exclusive, that seek to transform advanced liberal rationalities into strategies for governing risk. These include:

- Technologies of agency – these seek to enhance or deploy individuals' capacities as agents transforming them into active citizens capable of managing their own risk. Examples include community development programs, neighbourhood watch, 'work for the dole' schemes, and other programs that seek to build self-esteem and claim to empower individuals.
- Technologies of performance – these are designed to penetrate the enclosures of authority and expertise established under the welfare state and replace them with

formal and seemingly more transparent regimes of calculation. Examples include audit, the development of performance management indicators, 'best practice' and benchmarking.

- A Pluralism of Aggregations – this refers to the political emphasis on 'partnership' between state agencies, professionals and community groups through which targeted populations are empowered to become self-managing. Rather than welfare state agencies seeking to normalise at risk groups, this now occurs through a plurality of agents that seek to enhance the agency of individuals and demand action by government. Here, state agencies take on more of a coordinating role, ensuring that conditions are favourable for individuals to manage themselves, rather than one of directing and intervening.

Drought policy, as it was developed in Australia after 1990, attempted to apply all of these technologies in various ways to transform farmers as recipients of assistance, to active agents in the management of drought.

The Emergence of Drought as a 'Manageable Risk'

As stated above, drought was conceptualised historically at all levels of Australian government as a natural disaster – a random severe event that farmers could properly manage only with public assistance. Through such governmental technologies as the Drought Bond Scheme, introduced in 1969, and its replacement by the Income Equalisation Deposits Scheme in 1976, producers were given incentives 'to build up their financial reserves in good years against less favourable conditions in the future' (Hefford

1985: 357). The provision of these programs indicates that while drought was certainly conceptualised as natural, it was regarded also as calculable. However, while the calculability for drought was seen by governments to be largely the responsibility of the farmer – what some have argued represents a 'self help' approach (see Hefford 1985) – this was regarded as achievable only through a framework of government financial incentives. In other words, the capacity for farmers to manage was seen as dependent on the existence of *public* programs and relief measures that assisted them to minimise the risks of drought. Drought as a disaster was therefore responded to mainly through assistance administered by the Federal Government under the Natural Disaster Relief Arrangements (NDRA)[1]. Measures available under these arrangements included:

- Concessional loans for carry-on and re-stocking purposes;
- Freight concession; and,
- Subsidies to local and semi-government authorities for the slaughter and disposal of surplus stock (Industries Assistance Commission 1983: 1).

The existence of the above programs illustrates that drought was regarded as a problem requiring not only a framework of measures that encouraged preparation by farmers, but also direct forms of assistance to provide for the severity of such an event. In both cases, risk was collectivised in the procedures and programs of state agencies who bore ultimate responsibility for ensuring that producers were not adversely affected by climatic variability. The rationality informing these programs was based on a conception of nature as calculable, although not entirely controllable through farm management practices, and farmers as members of a wider collectivity whose problems were not of their own making. It was therefore argued to be the *social* responsibility of governments to provide

programs of support to return farmers to a situation of profitability. Rose (1993; 1999) and others refer to this type of intervention as governing from a 'social' point of view.

The status of drought as a 'disaster' came to be increasingly problematised during the 1980s, particularly as a result of the level of assistance required during the extensive and severe drought of 1982/83 (Stehlik et al. 1999). For example, Freebairn (1983: 196) noted, shortly following this drought, that *ad hoc* reactions by governments through the NDRA added to the uncertainty facing farmers and resulted in less effective farmer decision-making. Interest subsidies and carry-on loans were particularly criticised for being directed at some farmers and not others; being of benefit to few producers, and discouraging efforts to implement strategies for coping with future droughts. These views were reinforced in 1983 by the Industries Assistance Commission (IAC). The Commission noted that those farmers who had taken steps to prepare for drought were, in effect, penalised by drought relief being directed at those with high debt and few readily available assets. It was argued that this would reduce incentives for 'farmers to make physical and financial provision for future drought' (Industries Assistance Commission 1983: 13). Such criticisms of drought relief formed the basis of a major inquiry that changed the way in which drought support was delivered.

Drought Policy Review Task Force Report 1990

A Drought Policy Review was commissioned in 1989 by the Hawke Labor Government (Commonwealth of Australia 1990) in response to the conclusions of the IAC's 1983 report. This report fundamentally changed how drought was defined and governed. The capacity of farmers to manage for drought was reconstituted, and the boundaries of farm

viability shifted. Discursively, the Drought Task Force Report represented one of the first attempts to call into question drought as an 'external' risk, and outline strategies through which it was claimed farmers could more rationally manage their properties. Importantly, the meaning of drought in this report shifted from a natural disaster, through the Natural Disaster Relief Arrangements, to something which could be managed for and planned as part of a farmer's so-called normal risk management strategies. As the Task Force noted:

> Managing for climate...must become the norm instead of what has amounted in the past to attempted income and climate stabilisation measures. The need to manage for variable climatic conditions puts an onus on producers to adopt more flexible farming and management strategies (Commonwealth of Australia 1990: 4).

The Task Force also argued that:

> While drought may be triggered by long periods of rainfall deficiency, it represents a prolonged failure or inability of producers to respond to those deteriorating conditions. Extreme drought represents periods of extreme risk to agricultural industries and the rural communities. Drought is therefore a relative concept that reflects the fact that the current agricultural production is out of equilibrium with prevailing seasonal conditions. Managing for drought, then, is about managing for the risks involved in carrying out agricultural business in a variable climate (Commonwealth of Australia 1990: 7).

The significance of the shift in drought policy from natural disaster to managed risk lies in both the changing locus of risk and the imputation of agency to farmers to manage such risk. Drought was brought into an advanced liberal domain of calculation through the linking of the natural environment – defined as a manageable risk – with farm management strategies. It was no longer represented as an event external to the planning

strategies of farmers, and manageable through collective regulatory mechanisms, but a material effect of farm management. In other words, the existence or absence of drought was re-configured within the capacities of farmers to conduct themselves in an entrepreneurial manner. Drought could thus be addressed only by first acting on the capacities of producers and constituting them as active agents. Ideally, successful drought-proofing of one's property was now to be regarded as an indicator that one had used the 'correct' techniques of business and natural resource management. On the other hand, the inability of farmers to deal with what they may have defined as drought was taken to signify poor management skills that rendered a property unsustainable: such farmers were seen as targets for adjustment out of agriculture (Higgins 2000).

The consequences of such a shift are not difficult to see. As a natural disaster drought was essentially an 'act of God' that could not technically be controlled, although it could be planned for and managed by farmers through government incentives (eg. IEDs), and the assurance that collective measures would be available should the impact of drought significantly affect farm production. When a drought occurred it was expected that state agencies would respond in order to assist the financial and welfare needs of farmers. Once constructed as something normal, responsibility was shifted solely to the individual farmer who was expected to conduct him or herself in a financially prudent manner to avert the effects of drought. Drought was to be treated in a similar manner to market fluctuations: a random, yet calculable event, the regularities of which could be more 'truthfully' ascertained and controlled through economic expertise and business training. In addition to financial incentives of preparedness, such as IEDs, the role of state agencies was now primarily to ensure that farmers were equipped with the decision-

making capacities to prepare for drought. While drought was calculable before and after the shift, a logic of prediction replaced the logic of diagnosis (Rose 1999: 261) in which farmers' capacities as agents were to play a central role. Such prediction was argued by the Task Force to be achievable through farmers becoming more self-reliant.

Self-reliance represents the central strategy through which drought was rendered knowable as a manageable risk. However, while self-reliance, and particularly 'being one's own boss', have long constituted part of farming ideology and agrarian fundamentalism in Australia (see Aitkin 1988; Gray 1991; Kidman 1991), its entrance into mainstream agri-political discourse represented a key shift in thinking about risk. Rather than being associated with farming as a virtuous and noble 'way of life', self-reliance was essentially transformed into a means of governing farmers in an advanced liberal way. While claiming to increase personal choice and autonomy – something which sits comfortably with farmers' attachment to independence and hard work (see Lockie 1999) – self-reliance sought to re-define farmers as economically rational actors who, if equipped with particular business skills, could manage risk effectively in a de-regulated market environment. This representation of self-reliance was outlined in a more comprehensive manner in the National Drought Policy, released in 1992, and emerged as the key rationality for claimed proper drought management in the 1990s.

National Drought Policy 1992

The *National Drought Policy* (NDP), agreed upon by the Commonwealth and States in 1992, linked self-reliance – as an advanced liberal means of risk management – with adjustment and 'cultural change' in the farm sector. It is important to note that the NDP

was released at a time when much of inland Queensland and New South Wales were experiencing a prolonged dry period. Thus, the Drought Policy was clearly significant in showing that the Commonwealth Government was doing something to help. However, the focus on self-reliance and managed risk meant that the Federal Government sought to provide incentives for farmers to personally manage drought rather than the assistance packages of the past. The objectives of the Drought Policy were to:

- Encourage primary producers and other sections of rural Australia to adopt self-reliant approaches to managing for climatic variability;
- Maintain and protect Australia's agricultural and environmental resource base during periods of extreme climatic stress; and
- Ensure early recovery of agricultural and rural industries, consistent with long-term sustainable levels (Commonwealth of Australia 1992: 1).

Self-reliance was here constructed as crucial for the purposes of managing farm risks effectively and thereby protecting the environmental resource base. It was assumed that those primary producers with formal business skills would be the most prudent and therefore self-reliant managers of environmental and financial risk.

As part of the National Drought Policy, the Rural Adjustment Scheme (RAS)[2] became the main vehicle for delivering drought assistance. Following its restructuring in September 1992, the programs available for drought affected farmers through the RAS included:

- Skills enhancement measures – grants to eligible farmers to upgrade farm business and property management skills;

- Farm productivity measures – interest subsidies of up to 50 percent of the cost of commercial finance to 'viable' farmers for productivity improvement.
- Re-establishment provisions – an enhanced grant of up to $45,000 for farmers wishing to leave the industry.
- Land trading – the trading of land by a State to 'speed up' the process of amalgamation or retire land no longer suitable for agricultural production.
- Exceptional circumstances – interest rate subsidies of up to 100 percent on commercial finance for severe events 'outside normal risk management strategies' and for which farmers could not reasonably be expected to plan.

(Derived from: Rural Adjustment Scheme Advisory Council 1996: 24-5)

Of all the above measures, the exceptional circumstances provisions are perhaps the most novel in that they recognise that there are some events for which no producer can be expected to plan. This is very different from the other measures that encourage either formal property planning and ongoing education, or exit to another occupation. The exceptional circumstances provisions appear to offer a means of shifting the responsibility for drought management back onto state agencies. This will be analysed further in the final section of this paper.

The Governance of Drought as a 'Manageable Risk'

While there is not the space in this paper to provide a comprehensive analysis of drought management strategies following 1992, it is worthwhile at this point to consider briefly how drought as a managed risk has been governed since this time. At the Commonwealth

level a number of reviews have been conducted on both drought and rural adjustment. Two of these are considered in this paper.

The Land Management Task Force, established in November 1994 by the then Prime Minister in response to the ongoing period of dry weather throughout much of Queensland and New South Wales, endorsed a more comprehensive self-reliant approach to drought management in a publication entitled *Managing for the Future*. The Task Force was set up primarily to investigate how the adoption of formal property management planning by agricultural producers could assist in planning for drought, and in improving sustainability and productivity over the longer-term (Commonwealth of Australia 1995: 117). One of the key arguments of the Land Management Task Force was that the adoption of formal skills in financial management, marketing and natural resource management was crucial in responding to change and in establishing a standardised code for industry best practice whereby it was claimed that producers could evaluate their management practices in a broader and more rational manner. The Task Force defined property management planning as:

> An ongoing process for the total management of a farm business which assists producers to improve their profitability and achieve more sustainable resource use. It is regarded as a whole systems process whereby producers identify their personal objectives in the context of broader community aspirations. Then, by applying skills in business management, quality assurance, risk management, natural resource management including nature conservation, financial planning and control, marketing management, agricultural technology management and personal and staff management, they develop plans to fulfil those objectives (Commonwealth of Australia 1995: 17).

These objectives were thought to be best achieved through producer participation in a series of voluntary introductory workshops focusing on business goal setting, natural resource evaluation and management, staff management, business planning, quality assurance, marketing and risk management. This was to be supplemented by ongoing education and training to improve farmers' decision-making capacities. Property management planning represented therefore a very specific technology through which state agencies attempted to shape the agency of farmers so that they could evaluate their practices in a seemingly rational manner.

Drought policy was not reviewed again in detail until 1996 when a review of governments' response to drought was announced. This was a time in which prolonged dry conditions were still being experienced by many rural producers, with numerous shires drought-declared. The final Task Force Report was released in late 1996 following the election of a conservative Liberal/National Coalition government earlier that year. Overall, the Task Force agreed that the objectives of the 1992 National Drought Policy were of continuing importance in not only encouraging more self-reliant approaches to drought management, but also in the protection of environmental resources. In this respect, the construction of drought as a 'normal element of risk' was maintained with the Task Force noting that 'there is no strong argument for government relief assistance to farming businesses in time of drought' (Commonwealth of Australia 1996: 9). Those farmers who might have been unable to manage their property 'sustainably' (ie. in a self-reliant manner) in the short-term were thereby constituted as poor managers of risk and deemed unlikely to have a profitable future in the sector. Education, training and financial planning were promoted in the interests of farmers making the most rational

economic choices over whether they should leave or remain on their land. The Task Force concluded that an integrated policy be introduced for future droughts, taking into account farm business measures, environmental measures and welfare measures, all of which should be oriented to encouraging greater self-reliance. These recommendations were accepted by Commonwealth and State Ministers and incorporated into the *Agriculture – Advancing Australia* policy package, released in 1997, and have continued to the time of writing.

Contested Ground: Differentiating 'Normal' from 'Exceptional' Droughts

The emergence of a self-reliant approach to drought, outlined above, would appear to indicate the implementation by state agencies of a coherent program of drought management where drought as a natural disaster was completely abandoned. In practice, the constitution and governing of drought has been far from this simple with the disaster of drought continuing to animate and shape policy practice through specific 'social' technologies of governing. As a number of scholars within the field of governmentality studies argue, governing is seldom a straightforward matter of implementing a unified program of rule. There are always contradictions, contestations, and negotiations. However, rather than conceptualising these as external obstacles to rule, they need to be seen as a constitutive part of the governing process (see O'Malley et al. 1997). Drawing on the work of Michel Callon and Bruno Latour, Rose (1999) labels this a process of 'translation'. While I do not examine here the processes through which rationalities of drought management were translated by authorities, I do seek to look at its effects

manifested in the continued debate over ‘normal’ and ‘exceptional’ droughts. The purpose of this is to show that governing is more complex than the implementation of a unified project of rule.

A rationality of drought as a disaster was not abandoned completely in 1990, but has continued – through Exceptional Circumstances provisions – up until the present. As part of the National Drought Policy, the delivery of drought assistance became attached to the Rural Adjustment Scheme through ‘Exceptional Circumstances’ provisions. These provisions have proved to be remarkably durable over time, remaining virtually unchanged since 1992. When the Rural Adjustment Scheme was abolished by the conservative Liberal/National Coalition Government in 1997, Exceptional Circumstances became a program in itself as part of the *Agriculture - Advancing Australia* rural policy package. Its provisions were expanded to include a Drought Relief Payment originally introduced in 1994 and possible eligibility for additional social security support (Dept. of Primary Industries and Energy 1998). Interest subsidies of up to 100 percent were retained. Since its introduction, exceptional circumstances has remained the most widely used form of support out of all the programs in the former Rural Adjustment Scheme. This is particularly the case in Queensland and New South Wales where, during the years 1992 to 1996, over 50 percent of total approvals under the Rural Adjustment Scheme were for exceptional circumstances support (McColl et al. 1997: 56). While there may have been a genuine need (however that may be defined) for such assistance, one would assume that if state agencies were committed to self-reliance and managed risk, applicants would simply be told that they were unviable and their applications rejected. How then might one account for the continuation of exceptional circumstances?

It could easily be argued that exceptional circumstances represents little more than a political safety-valve which serves to protect the legitimacy of governments when faced with circumstances that cannot be resolved through market-based measures. However, this assumes that exceptional circumstances provisions can be drawn upon at will without contesting or shaping rationalities of rule. The widespread use of exceptional circumstances in both Queensland and New South Wales indicates that these provisions have in fact shaped how rationalities of managed risk have been constituted, and particularly the types of farmers seen as having the capacities to maintain viability. All of these issues suggest that exceptional circumstances is not the polar opposite of manageable risk, but is a strategy for ordering and shaping its discursive and material boundaries. In other words, it as an important means of contesting and re-defining managed risk. In-depth interviews conducted by the author in 1997 and 1998 with seven Commonwealth public servants, four Queensland public servants, and four representatives of farm organisations – all of whom had been involved directly with the Rural Adjustment Scheme – are drawn upon to show how the boundaries between drought as a manageable risk and as a natural disaster (unmanageable solely by farmers) are constituted.

As noted above, there remains much debate on how severe a drought can be before it is classed as exceptional. While not clearly defining what exactly should be considered exceptional, the view of a number of senior Commonwealth public servants was that most risk should be regarded as normal. For example:

> I think that the expectation that farmers should be able to put into their risk management strategies the concept of one in a hundred is reasonable, I haven't got any problem with

> that. I think that there has to be realism, and unless there's a major catastrophe I don't see why the government should get involved (Male, Branch Director level (1), DPIE[3]).

Such views are characteristic of most policy documents on drought in that they emphasise that farmers should take a personalised approach to managing environmental risk. The type of rationality is distinctly 'advanced liberal' in that it seeks to constitute most risk as within the claimed normal managerial capacities of farmers.

While endorsing the importance of producing self-reliant farmers, many public servants challenged the construction of farming environments as a manageable risk, arguing that this ignored a number of factors. For example, one respondent raised the issue of political support for governments to respond to severe events that were seen to be outside the control of farmers:

> ...if you look at the last big drought in '93 and '94 there were millions of dollars raised in cities by ordinary people who wanted to help. If that happens, with people putting their hands in their pockets to help, then governments are not going to ignore that sort of sentiment. Therefore, Australian people are saying, 'yes, we want to have some sort of response to these sort of severe events'. All the theory in the world is not going to win against that sort of response (Male, Senior Officer level, DPIE).

Other participants suggested that the existence of risks beyond the everyday control of farmers compromised seriously the capacity of these producers to manage. For example:

> The rural industry is different to most other industries. There is no control over the elements. [Farmers] have probably little control over the prices for their products, they cannot set the price that they are going to sell their crop at.... I think the rural industry is

somewhat unique and that is why governments have a role to play and have done so (Male, Middle Management, Queensland Rural Adjustment Authority).

I am not sure whether...[government]...has a greater obligation to farm families than it does to urban families, and I am still trying to resolve that in my own mind about whether you can really manage or whether you should be able to manage effectively for climate, and whether we have just a lot of people who can't, or whether there are things that are just beyond which you can't just expect people to manage (Female, Senior Management, Queensland Department of Primary Industry).

...exceptional circumstances is always going to be a difficult area no matter how self-reliant farmers are. There's always going to be a set of circumstances which comes in and is beyond the ability of any farm business, or any business for that matter, to provide for (Male, Executive level, National Farmers' Federation).

These statements suggest that while self-reliance remains a stated policy objective in governing drought at both the Commonwealth and State level, and among farm organisations, its potential to manage climatic risk remains subject to contestation. The claimed unpredictability of climate is drawn upon in particular as a key argument in calling into question the capacities of farmers to manage effectively for drought. This provides a significant discursive space in which advanced liberal rationalities of managed risk are problematised on the basis of their lack of effectiveness in enhancing the economic security of farmers. Here, exceptional circumstances is seen as a necessary means of ensuring that some farmers who might potentially be viable in the long term, are assisted in a social way to ensure that they have the *future capacities* for profitability. Stenson and Watt's (1999) concept of 'hybrid governing' and Dean's (1999) 'post-

welfarist regime of the social' represent two useful starting points in examining this co-existence of 'social' (exceptional circumstances) and 'advanced liberal' (manageable risk) forms of rule along side one another.

Rather than leading to an abandonment of a self-reliant approach to drought, the political recognition that there are some circumstances for which farmers cannot reasonably be expected to manage has led to attempts to identify more 'objectively' exceptional droughts, in an attempt to delineate more clearly what is normal. This has involved a process of defining, linking and measuring in which the knowledge of 'experts' such as scientists, meteorologists and economists is called upon to render heterogenous elements into a technical and calculable form. Such data is then drawn upon by state agencies to assess whether farmers are in need of exceptional circumstances support. Since 1994, six core criteria have been used by the Agricultural and Resource Management Council of Australia and New Zealand (ARMCANZ) – a collective of Commonwealth and State agriculture and resource management ministers – to assess whether a drought is exceptional. These are:

- meteorological conditions (the primary condition for the existence of severe drought);
- agronomic and livestock conditions;
- water supplies,
- environmental impacts,
- farm income levels and,
- scale of the event (Lembit and Kingma 1995).

Despite these criteria, the definition of an exceptional drought remains open to debate with the views of state agencies not always according with what farmers and graziers

believe to be a severe drought (see Stehlik et al. 1999). In fact, there have been a number of cases where the revocation of drought status has been hotly contested by producers in both Queensland and New South Wales. Nevertheless, economists have continued to push for more objective indicators to define exceptional drought so that government decision-making processes can be standardised and the characteristics of 'normal' farm management more clearly delineated (see White and Bordas 1996). It seems likely that the issue of severe drought will remain important in shaping rationalities of managed risk and in defining the capacities of farmers to manage such risk.

Conclusion

This paper shows that there is a close relationship between how drought is rendered a knowable and calculable problem, and the different ways in which it is governed. It demonstrates the conceptual coherence of a governmentality approach in both challenging the seemingly obvious 'natural' status of drought, and in drawing attention to the shifting rationalities and technologies through which such phenomenon are constituted as risks. Through the use of concepts from the governmentality literature, this paper argued that the governing of drought experienced a fundamental shift in 1990. As an object of governance, drought was transformed from a disaster, seen to require ostensibly social forms of support, to a manageable risk, which encouraged more active forms of conduct on the part of farmers – what Rose and Dean refer to as an 'advanced liberal' way of governing. Prudent drought management was re-defined at a policy level as the capacity of a producer to manage, in an enterprising manner, his or her risk. Farm viability thus became linked intimately with the capacities of producers to conduct

themselves in enterprising ways through the adoption of formal business techniques. This was pursued through the attempted alignment of technologies of governing, such as Income Equalisation Deposits and Property Management Planning, with governmental rationalities that constructed farmers as 'rational' and enterprising managers of risk. Those who either resisted the construction of their properties as a business, or who were unable to take a more entrepreneurial approach to their farm practices were increasingly defined as unviable and targeted for either exit from the industry or 'empowerment' through business planning courses.

However, once constructed as a phenomenon within the realm of claimed normal management strategies, the possibility of unmanageable droughts emerged. While exceptional circumstances provisions represented an important means of enabling otherwise viable farmers to deal with events considered beyond normal farm planning, they were inconsistent with political objectives of self-reliance and manageable risk. They could therefore be categorised neither as a means of enhancing farmers' capacities to manage risk, nor to facilitate the exit of unviable producers. The conclusion reached in this paper is that exceptional circumstances represents a means of calling into question those rationalities and technologies that seek to construct farmers as active managers or risk. It provides a space of contestation through which the governing of drought can be shaped. In this respect, a social form of governing continues to animate what is otherwise an advanced liberal strategy for conducting conduct. This concurs with Stenson and Watt's (1999) argument of hybrid logics and practices of governing, and Dean's (1999) notion of a post-welfarist regime of the social. In addition to these arguments, however, I argue that such hybridity places limits on advanced liberal forms of rule. The

interweaving of advanced liberal techniques with social rationalities and technologies of governing ensures that drought policy retains a dynamic and contested form, the effect of which incorporates a continuing open-ended set of possibilities.

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Notes

[1] Drought preparedness programs such as IEDs have never been widely adopted by farmers (see McColl et al. 1997). It seems that in most cases, producers have preferred subsidies, loans and emergency assistance.

[2] The Rural Adjustment Scheme (RAS), introduced originally in 1977, is a joint Commonwealth/State Program designed to facilitate the exit of so-called unviable farmers while providing productivity incentives for those deemed to have long term prospects of viability. The RAS was formally abolished in 1997 and divided into separate programs.

[3] This abbreviation stands for the Commonwealth Department of Primary Industries and Energy. This department has now had a name change to Agriculture, Forestry and Fisheries Australia (AFFA).