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Brexit and Rural Policy

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Abstract.

The impacts of Brexit on rural England will be far reaching. This paper explores the challenges and opportunities which Brexit presents for renewal of rural policy in England. Rural policies remain rooted in the immediate post-war context but the rural economy is no longer synonymous with farming, while rural society and the institutions of governance have been transformed over the past 70 years. International evidence from social scientists suggests that an approach conceptualised as 'networked rural development' would be more effective at promoting the prosperity and wellbeing of citizens in rural areas, and the elements of such an approach are taken as a basis for a practical agenda for reforming and updating rural policy.

Keywords: Brexit; rural; policy; networks; rural development; social innovation.

1. Introduction

The outcome of the EU referendum in June 2016 prompted various responses from social scientists. Some sought to understand what prompted people's vote to leave the EU, uncovering evidence that this was in part an expression of the frustration of people and places 'left behind' or 'let down' in an increasingly unequal society and without sufficient voice (Goodwin and Heath 2016; Watson 2018). Sensier and Devine (2017), for example, show that those areas with lower social mobility were more likely to have voted to leave the EU. This resonates with rural policy in Britain because a perceived marginalisation of rural communities and the failure of Westminster and Whitehall to comprehend rural life and rural contexts has been a recurrent theme of rural interest groups, such as the Countryside Alliance (Woods 2008b). In the US, recent ethnographic work reveals a similar narrative as many rural citizens perceive themselves as 'the left behind' both economically and physically as many of their peers migrate to cities to prosper (Wuthnow 2018).

Another response has been to assess the impacts that Brexit may have on people and businesses in the UK. The effects on UK agriculture are expected to be far-reaching, though the severity will depend on the detail of the new trading and investment relationships negotiated with the EU and third countries, as well as on the movement of people. The impact would be most severe if the UK left the single market and customs union without an alternative trading arrangement in place, in which case WTO rules would require high tariffs to be applied to agricultural exports to the EU, not to mention non-tariff barriers and country of origin regulations. A recent study, funded by the ESRC (Hubbard et al 2018), models the impacts on UK agriculture under four Brexit scenarios, ranging from remaining in the single market and customs union, through soft and hard Brexits to 'no deal'. The study points out that impacts will depend not only on trade effects but also exchange rate effects, labour market changes and other non-tariff barriers, and of course on the domestic policies introduced following Brexit. The study concludes that, whatever the trading scenario, the removal of direct payments to farmers (already signalled by the Government) will affect most farm businesses:

beef and sheep farms would 'struggle to survive' while arable and dairy farms would be less affected. Agricultural land may be abandoned in more marginal areas, notably in Scotland. The impact is worst under a Free Trade scenario, without direct payments, with 70% of farms predicted to become loss-making (Hubbard et al, 2018) unless public money props them up. The authors note that their estimates are broadly in line with other modellers' estimates of Brexit impacts (van Berkum et al, 2016; Davis et al, 2017; Bradley and Hill 2017). Another study (Roberts 2018) anticipates falling farmland prices after Brexit. There will also be economic impacts on the rural economy far beyond agriculture, suggested in leaked reports of studies by civil servants, and in work by economic geographers who have estimated regional impacts (Los et al 2017).

A third response of social scientists to Brexit has been to engage with the need for policy renewal post-Brexit: leaving the EU would sweep away many institutional structures, budgets, policies and practices presenting both challenges and opportunities for new thinking, especially in the fields of rural and regional policy. The Common Agricultural Policy comprises 38% of EU expenditure (€408bn 2014-20), though this has decreased from a peak of 73% in 1985, and it forms the core of domestic agricultural and rural policies in all EU member states. Indeed it has often been suggested that it is only the need for a UK Minister of Agriculture to attend the EU Council of Ministers that ensured the continued existence of DEFRA, the only sectoral ministry remaining (Grant 1997).

This paper develops the third of these lines of enquiry in relation to rural policy. Much attention and indeed research is devoted to agricultural and environmental policies post-Brexit, reflecting the long-standing priorities of Ministers (Drew 2017) and civil servants as well as the organised, effective and well-known interest groups of farmers and environmentalists (Smith 1993). In contrast, very little attention has been paid in England to 'rural policy' post-Brexit, in the sense of policies 'which meet the needs and opportunities of rural places and rural people' (OECD 2006, 57). A recent House of Lords Select Committee (2018, 57) concluded that 'responsibility for rural policy and rural communities does not sit well within DEFRA, with the department being predominantly focused upon the important environment, agriculture and food elements of its remit. This focus will intensify as a result of Brexit.' This paper considers why so little attention is paid to rural policy, reviews the various critiques of rural policy by social scientists, and develops a set of proposals intended to start a public debate on what post-Brexit rural policy should be introduced.

2. Why is rural policy neglected?

As Woods (2005, 130) points out, rural policy 'is a very elusive and enigmatic entity', partly because people living in rural areas are affected by a whole range of policies for which many Government departments are responsible, including education, health, transport, justice, welfare, planning, housing and much more, in addition to agriculture, forestry and food. In some countries, such as Finland and Norway, this wide range of policies is referred to as 'broad rural policy' to distinguish it from 'narrow rural policy' under agriculture ministries: England prefers ambiguity and neglect, for reasons which we will now explore.

England's rural policy has changed little since it was formed in the years immediately after the second world war, in a context of food shortages and rationing, informed by the 1942 Scott Report on rural land use. The essence of this policy was the containment of urban England and the protection of agricultural land and the beauty of the countryside. In a classic study, Hall *et al* (1973) summarised the effects of this as socially regressive, keeping rural wages down, inflating rural house prices and constraining rural economic development. In Newby's view (1980, 239), this outcome 'was the product of an unholy alliance between the farmers and landowners who politically controlled rural England and the radical middle-class reformers who formulated post-war legislation.

The former group had a vested interest in preserving the status quo, while the latter, epitomised by the nature-loving Hampstead Fabian who enjoyed country rambling at the weekends, possessed a hopelessly sentimental vision of rural life. The rural poor had little to gain from the preservation of their poverty, but they were without a voice on the crucial committees which evolved the planning system from the late 1930s onwards.' This approach has continued to frame policy (Shucksmith 1990), with further support from middle-class, home owning incomers who have constituted an increasingly powerful vested interest in opposing rural development.

For a brief period, from 1996 to 2000, it appeared that Labour would promote a redirection towards an updated, integrated rural policy, with the production of white papers in 1996 and 2000 (the first statements of rural policy since the 1940s). These built on a 'rural audit' for the Labour rural group of MPs (Shucksmith and Murphy 1997) which proposed a more socially focused rural policy, and a Cabinet Office (1999) report on rural economies which proposed a reorientation of policy away from farming towards supporting the wider rural economy (Woods 2011; Drew 2017). Sadly, 'December 2000 was probably the high point of this more reformist, territorial approach to agriculture and rural development. Two months later, in early 2001, Foot and Mouth Disease struck, and there has been a retrenchment into a more sectoral approach to agriculture since then' (Ward 2006), somewhat paradoxically, since the FMD crisis revealed just how much more important other sectors of rural economies are than agriculture¹ (National Audit Office 2002).

Political scientists have sought to explain the resistance to integrated rural policy and the dominance of sectoral, siloed policy approaches in terms of a policy-making structure organised around parallel, specialised and autonomous policy communities, perhaps transitioning towards a more open, less stable series of policy *issue networks* (Woods 2005, 137). Self and Storing (1962), Smith (1989) and others have identified close-knit agricultural policy communities in many countries comprising farm ministries and farmers' unions with privileged access and shared interests who reinforce each other's understanding of the rural as an essentially agricultural space. Thus, in England, MAFF was often regarded as 'the political wing of the NFU' (Miller and McTavish 2014, 262). While some authors perceived a transition to a wider range of interest groups (notably environmental groups) becoming involved at the heart of rural policymaking, the close relationship between DEFRA and the NFU reasserted itself during the foot and mouth crisis and remains strong (Woods 2011).

3. The changing context for rural policy?

Rural economies and societies have changed substantially since post-war rural policy was forged in the 1940s. At that time it was possible for the Scott Committee to argue that a strong agriculture would ensure a prosperous rural economy and thriving rural communities. Today, England's rural economy consists of 537,000 businesses, employing around 4 million people - but only 4% of these work in agriculture. Manufacturing employs slightly more (11%) than in urban England. But the predominant source of employment is the service sector, with 80% of jobs. Farming now is a minor component of the rural economy, contributing 0.55% of national output (DEFRA 2018), though it still shapes the landscape and contributes in many other ways to the nation. Two main economic processes underlie this change: the growth of service employment in rural areas, and to a lesser extent manufacturing, sometimes referred to as the New Rural Economy; meanwhile agriculture has become more capital-intensive, shedding its workforce through mechanisation, and refocusing on

¹ The National Audit Office estimated that agriculture lost £1.3bn, for which it received £1.4bn compensation, while the closure of the countryside cost the tourism industry between £4.5bn - £5.4bn (uncompensated).

quality foods and environmental benefits. The structural shift from agriculture towards the New Rural Economy is generally associated with higher incomes and rising prosperity, but has benefited rural areas unevenly, boosting accessible rural areas more than remoter rural areas.

There have also been striking social changes across rural England in recent decades, principally through selective migration both in and out of rural areas. In the immediate post-war period, rural depopulation was identified as a major issue (HM Treasury 1976), but despite restrictive planning policies the population of rural England has grown since 1971, and at a faster rate than in urban England, largely due to counter-urbanisation and the growth of commuting. 'This inflow of older urban residents has made rural regions older and wealthier, as these individuals typically bring considerable wealth with them' (OECD 2011, 50), or commute to well paid jobs in nearby urban areas. This has also raised rural house prices to the extent that, uniquely in the western world, rural house prices are now substantially higher than those in towns and cities – indeed the smaller the settlement size the higher (and less affordable) the house prices (CRC 2010) – such that housing markets have become the vehicle for social change and an increasingly socially exclusive countryside (Shucksmith 1990, 2000). These migration flows are socially selective not only by social class (and ethnicity) but also by age. Thus, outmigration of young people (age 16-29) away from rural areas has occurred alongside counter-urbanisation into rural areas of both older people and families with young children. The net result is an ageing rural population, with the average age in rural areas now 5.5 years older than in urban areas, and the gap widening. 55% of rural residents are aged over 45 compared to 41% in urban England, with 16.6% and 11.4% respectively over 70 (DEFRA 2018).

These economic and social changes are far from uniform, with considerable diversity observed between rural areas and widening disparities between people and between places. Some of the areas which have become most exclusive are smaller settlements in accessible rural areas, where incomes have risen most over the past decades, and scenic areas attracting retirement and holiday use of dwellings. Murdoch *et al* (2003) characterised the 'Differentiated Countryside' in terms of four ideal types, according to the dominant form of social relations, namely contested, preserved, paternalistic and clientalist. Similarly, different types of rural housing market have been identified and mapped by Shucksmith *et al* (1995) and Bevan *et al* (2001), overlaid by further differentiation arising from uneven provision of digital and other services and from local economies. This growing diversity suggests a need for differentiated policies and actions tailored to local circumstances.

The governance of rural England has also changed in many ways in recent decades, beyond the well-recognised shift from government to governance (Stoker 1998; Shucksmith 2010). The Ministry of Agriculture's central role, discussed above, was modified by accession to the EU in 1973 and by successive reforms to the CAP which introduced environmental objectives alongside food production, framed within a new concept of 'multifunctionality'. For most of the twentieth century², MAFF's responsibility for agricultural policy was complemented by the Development Commission's work promoting rural industry and supporting rural communities, under the Treasury and then the Department of Environment (Rogers 1999). This institutional strand was eventually brought within DEFRA's remit and soon abandoned, with the demise in turn of the Countryside Agency, the Commission for Rural Communities and finally DEFRA's own Rural Communities Policy Unit (House of Lords 2018), reflecting a sectoral rather than a place-based, integrated perspective. In this mindset, the coherence of rural policy requires only rural-proofing of mainstream sectoral policies pursued independently by each ministry. At regional and local levels too, governance has had to change.

² The (Rural) Development Commission was established by Lloyd George in 1909 and was succeeded in 1999 by the Countryside Agency until its abolition by the NERC Act 2006.

Regional policy and regional governance have been dismantled in England since 2010, while local authorities' capacity has been diminished by funding cuts, contracting out and loss of powers to both central government (eg. school funding formula) and to private providers. This, and an increasing reliance on self-help, is often portrayed as localism and empowerment but, as Cheshire 2006, 150) has pointed out, this 'represents a particular discursive practice of government that, in expounding the freedom of rural citizens from government intervention, continues to secure their subjection to the socio-political objectives of late capitalism through various technologies of discipline and regulation.' Instead, she advocates 'a complete reversal of relations of rule in rural areas so that the influence to determine development priorities lies with the citizen and not with the state' (ibid), in a completely different mode of self-help to this governmentalized form.

4. What is missing from rural policy?

On the basis that rural areas are diverse and are affected by a wide range of sectoral policies, the Centre for Rural Economy argued that 'the focus of rural policymaking and implementation must move away from the narrow range of policies that exclusively address rural areas only in terms of agriculture and environment and seek instead to integrate policies of a more generic nature. Increasingly, therefore, rural policymaking must be crosscutting, embracing the range of policy influences that impinge upon specific rural areas. It is also necessary to ensure that all policies are properly 'rural-proofed'' (CRE 2015, 4).

This argument reflects dissatisfaction with the rural modernisation paradigm which, according to van der Ploeg et al (2000, 395) had reached its intellectual and practical limits, and which was in any case challenged by the rise of neoliberalism and the emergence of a 'new rural development paradigm'. The classic formulation of rural development had been an *exogenous* model, under which rural places were regarded as distant technically, economically and culturally from the main (urban) centres of activity, and perceived as 'backward' and marginal, requiring modernisation. But by the late 1970s there was growing evidence that this model was defective (and indeed had been to the detriment of many rural areas). Exogenous development was criticised as dependent, distorted, destructive and dictated (Lowe et al., 1995). Instead an *endogenous* approach to rural development was proposed based on the mobilisation of local resources and assets by those living in the place itself and valorising difference rather than enforcing a universal model. This new paradigm promoted 'development from within', shifting the emphasis from sectoral modernisation and inward investment toward territorial, integrated rural development (OECD 2005; van der Ploeg et al 2000). In the context of neoliberalism and fiscal retrenchment, however, it became apparent that the endogenous approach exacerbates inequalities both within and between places because the initially uneven playing field disadvantages weaker and poorer places' ability to mobilize resources and form effective external relationships (Arnason et al., 2009; Shucksmith 2000b). People in rural areas are increasingly exhorted to exhibit community resilience and practice 'self-help', as the state evades responsibility and they are left to go it alone (Cheshire 2006; Mackinnon and Derickson 2012). The result of this individualisation of risk and of responsibility is uneven development and a perpetuation of spatial inequality between rural and urban as well as within the rural itself.

Researchers at Newcastle University proposed instead the notion of *neo-endogenous* development (Lowe et al., 1995; Ray, 2006), or *networked rural development* (Shucksmith 2012) to address these deficiencies. They argued that social and economic development processes necessarily combine endogenous (bottom-up) and exogenous (top-down) forces. The local level necessarily interacts with the extra-local and global in contemporary networked society, with importance attached to both

vertical (hierarchical) and horizontal networks (Shucksmith 2010). Critical to networked rural development are those institutions, actors and networks that have the capacity to link businesses, communities and institutions involved in governance at a variety of scales, and to enhance local control. Networked rural development thus advocates an emphasis on local control and capacity-building, but recognises in addition the essential role of the state and other external actors at multiple scales. Local actors cannot work only within their place but must also construct ‘spaces of engagement’ ‘to secure their local spaces of dependence – areas in which their prosperity, power or legitimacy relies on the reproduction of certain social relations’ (Mackinnon 2010, 5). Indeed networked development involves not only deliberative governance and territorial place shaping, but also institutional capacity building, engagement in relational networks and sharing of responsibilities with an enabling state and other external actors (Shucksmith 2012). Places need to be integrated within wider networks and structures so that external resources can be readily appropriated when they are absent or damaged in the local setting, and to secure their wider spaces of association in a networked world (Brown and Shucksmith 2017).

Viewing England’s rural policy through the conceptual lens of networked rural development highlights a number of contemporary issues. First, this perspective suggests the need for a coherent and more holistic rural policy which embraces the social as well as the economic dimensions of development. Second, it supports the OECD’s argument for a place-based, territorial approach rather than the sectoral approach which remains so dominant in England. There is a need to look beyond agriculture for the future of England’s rural economies, important though food and farming are. And it is necessary to challenge the apparent continuing emphasis on urban areas and city regions as the only sources of significant economic activity and innovation, and the policy focus on large firms rather than microbusinesses and home working. Third, it indicates the merits of an asset-based and network-based approach, along the lines of that now being pursued in Scotland and elsewhere (Shucksmith and Atterton 2017).

Rural businesses meanwhile face a number of specific challenges, some differing by sector, size, owner and region. Studies of rural businesses in NE England (Atterton and Affleck 2010; Phillipson et al 2011) found that most rural businesses mentioned the current economic climate, regulation, skills shortages, access to finance and broadband speeds as obstacles to growth of their businesses. These studies also showed that, while agriculture businesses typically had low growth ambitions, manufacturing businesses had the highest ambitions to grow but were frustrated by inadequate sites and premises. Many smaller firms felt unable to take on additional staff, while larger firms which wanted to grow faced difficulties in recruiting skilled staff as well as in finding space/premises for expansion. Incomers and return migrants appeared more entrepreneurial, especially in remoter areas. More recent analysis of the BEIS UK Longitudinal Small Business Survey 2015 (Phillipson et al 2017) confirms these findings but also reveals variations by region in how these obstacles are ranked in importance. This study also allows comparison with urban firms, showing that regulation is identified as rural firms’ main barrier whereas competition is a greater concern to urban firms. Phillipson et al (2017, 3) conclude that ‘the planned UK Industrial Strategy, post-Brexit policy developments, growth strategies... and budgets and programmes to deliver these need to be developed at all spatial levels in ways that are relevant, accessible and visible to rural as to city and urban areas.’ Moreover, ‘public sector organisations also need to address wider weaknesses in some rural areas in affordable housing, transport infrastructures, education and services provision that hold back businesses’ ability to recruit and retain employees.’

Farm businesses also face an uncertain future, although DEFRA ‘s 2018 White Paper, *Health and Harmony*, has guaranteed continuation of the level of EU subsidies until the end of 2022 and

indicated a policy direction towards a 'Green Brexit' based on a principle of public money for public goods. The Agriculture Minister, George Eustice MP, has indicated that farmers engaging in agri-environment schemes will be paid on the basis of outcomes, rather than 'income foregone' as WTO trade rules require: he argues that even if these payments do not qualify for the 'green box' under WTO rules, they could be met from the UK's permitted 'amber box' expenditure. This, he suggested, means that hill farmers will be well protected from the impacts of Brexit (Eustice 2018; Garrod 2018) despite widespread concern about the impact of Brexit on the uplands. Much depends on how Brexit proceeds, what domestic policies emerge, and how much funding the Treasury is willing to allocate to agriculture as against the pressing demands of health, social care and education. At the very least, as Hubbard et al (2018) conclude, 'the period of adjustment to new trade and domestic policy conditions may prove very challenging for a large number of farm businesses.'

Citizens in rural areas, as well as entrepreneurs and farmers, face further challenges. Lack of affordable housing and high priced market housing are persistent causes for concern among rural residents, and especially those working in less well-paid local employment or self-employment. The lower quartile ratio of house prices to income is systematically higher the smaller the settlement (CRC 2010), and there is much less social rented housing in rural areas than in towns and cities. Younger people are often priced out of the market completely and hence may be forced to move away, or commute long distances, with consequent disruption of family support networks (Shucksmith 2000a). Public services (or 'services of general interest' as these may now be termed following privatisation) have disappeared or become less accessible across rural England, whether because of financial pressure, centralisation or a move to digital modes (CRC 2010). 'Whilst a number of services are struggling to maintain levels of provision in rural areas, two services currently at particular risk are rural bus services and rural bank branches... However, much of the evidence base about rural communities' use of services is becoming out of date [since the abolition of CRC] and is slender' (Wilson 2017). While Wilson's survey reveals declining availability of those services delivered by the public and private sectors, it also shows the voluntary and community sector are (perforce) playing a growing role in rural service delivery, despite the financial pressures VCSEs also face, much as Cheshire (2006) portrayed as a governmentalized mode of self-help.

Technological change, and specifically digital technologies, can bring major opportunities and benefits to rural communities through improved access to services and enhanced business opportunities (around 1 million people work from home in rural England), but broadband and mobile coverage in rural areas remains uneven and generally poor compared to urban areas. Beyond broadband, the 'fourth industrial revolution' has the potential to transform rural economies and societies (and rural-urban relations) in ways we are only beginning to imagine, and there seems to be little consideration of these possibilities and potentials in government (Cowie 2018).

5. A coherent rural policy post-Brexit?

Given this analysis of the changing context for rural policy, the conceptual lens of networked rural development, a recognition of rural England's diversity and evidence of the challenges facing rural businesses, citizens and farmers today, what might be the elements of a coherent rural policy after Brexit? This final section make some suggestions to assist public debate.

A networked rural development approach: In such an asset-based approach, place-based strategies are developed by local people collectively working with local councils, external partners and wider networks. Primarily based on local assets and local knowledge, local groups also learn from one

another through national and transnational networks, sharing ideas and know-how; and the necessary contribution of an enabling state in partnering, capacity-building and setting an enabling framework is also recognised. Without this, inequalities will grow between places – a recipe for a two-speed countryside (Shucksmith 2010, 2012). Such an approach requires the facility to combine participative and representative modes of democracy, and an ability to work through spaces of engagement to secure their local spaces of dependence, as argued above.

A Rural Industrial Strategy: A crucial part of the enabling framework for rural entrepreneurial potential (Phillipson et al 2017a, 2017b) to be fulfilled, contributing to national productivity, growth and innovation, is an Industrial Strategy that encourages rural businesses and builds on learning from the rural growth networks. This does not just mean rural-proofing the recently proposed Industrial Strategy, vital though that is, but the adoption of an approach which has rural circumstances at its heart - a *Rural Industrial Strategy*. This would reflect the characteristics and contexts faced by rural businesses (typically microbusinesses, often home-based), addressing skills and training, business support, infrastructure, planning and finance – taking ideas both from the Rural Productivity Plan (Treasury/DEFRA 2015) and EU programmes such as the RDPE and LEADER, as well as from evidence on smart specialisation, highlighting the importance of embeddedness, relatedness and connectivity. Naldi et al (2015, 99) found that the application of the smart development concept ‘in rural contexts needs to be combined with a place-based approach adjusted to fit the specifics of rural contexts and linkages’, while McCann and Ortega-Argiles (2013) also concluded that smart specialisation, combined with place-based approaches, can be a successful strategy in rural regions. This strategy could be operationalised through the proposed Shared Prosperity Fund.

A Rural Communities Strategy: Rural life opportunities and thriving communities are also core elements in such a vision. DEFRA Ministers have spoken of their determination to ‘keep our villages thriving and growing’ and to ensure ‘people living in our market towns and villages have the same life opportunities as those who live in our cities’ – something which is a statutory right in Norway (Shortall and Alston 2016) but is lacking in rural Britain (Social Mobility Commission 2017). Rural citizens should expect a fair deal for rural communities - i.e. fair outcomes including access to services which meet needs; transparent decisions based on evidence; equal opportunities to participate in society; and a fair hearing and an effective voice in decision-making. The government’s allocation of resources to local authorities and other providers should reflect the additional costs of delivering services in rural areas and the extra time and cost for citizens of reaching distant, centralised services. This requires investment and innovation in the provision of affordable housing (Rural Housing Policy Review 2015; IPPR 2018), transport, public spaces, connectivity, social care, health care and schools, among other essential services – often in partnership between public, private and VCSE sectors. There is much innovative practice to draw on (CRE 2015; Wilson 2017) but this is hampered by underfunding and by ‘government from a distance’ (Cheshire 2006).

These two strategies could be underpinned by a *Rural Social Innovation Fund*, perhaps as an element of the proposed Shared Prosperity Fund, recapturing the creativity and capacity-building of early LEADER programmes, administered through local partnerships of councils, RCCs and LEPs. The purpose would be to build capacity through animation, facilitation and knowledge exchange and to promote social innovation in service provision and social enterprise. Social innovation is increasingly recognised as a vital ingredient of dynamic economies and as a means of addressing the challenges of service provision in rural areas. In urban policy social innovation is well established in terms of a ‘quadruple helix’ of open cooperation and interaction between public authorities, private businesses, universities and citizens towards smart, sustainable and inclusive growth. International

research (Kolehmainen et al 2015) suggests that rural regions may benefit even more from such models of open innovation. These would require a new social partnership operating transparently at multiple scales between public authorities, private businesses, universities and the citizens and voluntary and community organisations of rural areas.

Affordable rural housing: There is recognition at last of the urgency of addressing housing issues nationally, but in rural areas homes are even less affordable and there is much less social housing to rent (Satsangi et al 2010; ACRE 2017), such that housing opportunities for even middle income households are very restricted. Recent changes in government policy, and proposed further changes, threaten to frustrate the provision of any affordable housing in rural areas in future – these include extending the right to buy to housing association properties; preventing councils from requiring a quota of affordable housing on small schemes of fewer than 10 houses; and proposing ‘entry level exception sites’ which compromise the exception site model (IPPR 2018). Each of these measures should be rescinded. The Government’s affordable rural housing target should be reinstated with necessary budget and cross-subsidy provisions, alongside incentives to landowners to release exception sites, accompanied by powers for councils and housing associations to build small rural schemes exempt from the right to buy, using compulsory purchase powers if necessary.

Public goods and market failure: The British countryside contains iconic landscapes, precious habitats, flora and fauna, beloved cultural legacies - indeed a wealth of natural and cultural assets which depend on land management often without any market revenue. These public goods are highly valued by millions of people, as well as helping to support a low carbon future and green economy (CRC 2010b). Prince Charles, among others, has argued that the countryside is like a delicately woven tapestry, where land, farmers and communities are inextricably intertwined and may easily unravel. Their stewardship therefore requires targeted incentives and rewards for appropriate land management (within the constraints of WTO rules) alongside sustainable rural communities (Shucksmith and Rønningen 2012). The Government’s proposals in this respect appear promising, depending on the detail and provided these are adequately resourced.

Coherent rural policy and implementation: Rural policy in each of the devolved nations necessarily reaches across the portfolios of many government departments, creating challenges of co-ordination, responsibility and accountability. None of the ten actions in the Rural Productivity Plan (Treasury/DEFRA 2015) were DEFRA responsibilities, for example, although rural policy is scrutinised by the EFRA Select Committee which expressed its misgivings about the lack of co-ordination of rural policy in its report *Rural Communities* (2013). Since then the post of Rural Advocate and DEFRA’s Rural Community Policy Unit have been abolished, although a DEFRA Minister has the title of Rural Ambassador. Each of the devolved nations has developed their own approach to rural-proofing (Shortall 2017), but international research suggests that a prerequisite for effective rural proofing is a coherent national rural policy which extends across all the departments of Government, as well as stakeholder engagement and enforcement mechanisms (Shortall and Alston 2016).

The question remains of how best to ensure rural policy co-ordination:

- Across central government departments (leadership; a coherent vision; rural-proofing)
- Partnerships between local and central government (an England-wide ‘rural deal’?)
- At local level (subsidiarity and partnership with VCSEs)

Above all a *New Coherent Rural Vision and Strategy* is essential, agreed between all departments of central government, local government and other key stakeholders. This should enable realisation of the latent potential of rural economies and a fair deal for rural communities. It would include

coherent leadership from within central government alongside an England-wide ‘rural deal’ which shares power, resources and responsibility with local government and communities through a framework of devolution and capacity building.

6. Conclusion

The impacts of Brexit on rural England (and indeed rural Britain) will be far reaching. These will extend beyond the profitability of individual farm businesses and sectors – the main object of study so far – to affect the half a million non-land-based enterprises located in rural England and their 4 million employees, as well as the other citizens of rural England. If, as predicted by the OBR, IFS and others, Brexit leads to further deterioration of the public finances, with austerity extended and deepened, then rural services are also likely to come under even greater pressure.

Despite this, and more positively, Brexit also offers an opportunity for the government to reform and update rural policy to fit the changed context of the 21st Century. This paper has summarised the substantial economic, social and governance changes which have transformed rural England since post-war rural policies were forged in the 1940s. In short, the rural economy is no longer synonymous with farming but is dominated by services and manufacturing, while selective migration has transformed rural England’s social composition in terms of age and social class. Meanwhile, local government has experienced reorganisations and financial constraints, and the government agencies which supported rural development since 1909 have been abolished. Mainstream policies of central government departments are supposed to be rural-proofed but this appears ineffective.

International evidence from social scientists over a number of years suggests that an approach conceptualised as ‘networked rural development’ would be more effective at promoting the prosperity and well-being of rural citizens and helping realise rural areas’ potential contributions to national goals. Such a place-based approach, founded on local knowledge, local assets and an enabling state, relies on social actors collectively working with local councils, external partners and wider networks combining participative and representative democracy, and working through spaces of engagement to secure their local spaces of dependence, as described above. In rural England, there is also a need to challenge dominant framing narratives of cities as the only source of innovation and economic dynamism and of a ‘concreted over countryside’.

The paper has also pointed to evidence from social scientists of a number of more specific challenges facing rural England, including obstacles to the growth of small businesses in rural areas, the lack of affordable rural housing, the deteriorating public services and loss of public spaces. There is also evidence of rural poverty and social exclusion, often hidden by surrounding affluence.

The final substantive section of the paper builds on this evidence to propose a practical agenda for addressing these challenges and taking the opportunity of Brexit to reform and update rural policy. As well as the networked rural development approach, the elements of a rural industrial strategy and a rural communities strategy are sketched out briefly, along with measures to promote social innovation, to address the unaffordability of rural housing and to ensure the continued provision of public goods. Finally, the need for a coherent rural policy and its implementation are reiterated, encompassing the challenges of ensuring coordination across government departments, between local and central government, and at local level involving quadruple helix partners.

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