Economic Futures on Aboriginal Land in Remote and Very Remote Australia: Hybrid Economies and Joint Ventures

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Introduction

In a recent important article on remote Indigenous Australia, Diane Austin-Broos (2003: 118) challenges anthropologists to expand their horizons to more thoroughly investigate problems of articulation between kin-based and market-based societies. In particular she highlights the need for anthropologists to acknowledge and write about problems of articulation and not treat ‘the economic’ as something beyond ‘culture’. Conversely, I have argued, economists have tended to treat the cultural as something beyond the economic, at least in Indigenous policy discourse.1 Austin-Broos (2003: 130) also hints that while progressives have focused on issues of land rights and politics of difference, conservatives have been more comfortable focusing on the notion of the liberal individual, welfare and economics.

Official statistical lenses continue to tell us that the greatest economic development challenge for Indigenous communities is in remote and very remote regions. The state policy juggernaut is slowly swinging around to address this issue in a more concerted way. This shift is occurring at a time when neo-liberalism is dominating national and international policy thinking: there is an ideological view that individual initiative and market engagement can provide equitable livelihood opportunity for all. At the same time, neo-conservative social commentators are mounting a potent critique of welfare,
often loosely defined, as the cause of much social dysfunction in Indigenous and non-Indigenous contexts. The evocative writing of Noel Pearson (2000) about Indigenous Australians in Cape York highlights the evil of welfare poison and the need to engage with the ‘real’ economy. This writing has captured the conservative imaginary as indicated, for example, in a recent presentation by Tony Abbott (2004) to the Bennelong Society. Similarly, Peter Saunders (2004) has recently written about the problems of Australia’s ‘welfare habit’ and ‘how to kick it’. There is a suggestion here of emerging commonalities between the state project of ‘practical reconciliation’ and economic independence for remote Indigenous communities, and the Indigenous project as articulated by influential Indigenous spokespeople like Pearson. The policy juggernaut is shifting, but rather than directly addressing issues of historical legacy, cultural difference and structural disadvantages, it seem to have picked up the notion of ‘mutual obligation’ as a key passenger.

This paper sets out to do two main things. First, it introduces a different conceptual framework based on what I have dubbed ‘the hybrid economy’ that has three sectors, the customary, market and state, rather than just the last two, more orthodox ones (Altman 2005). Use of this framework highlights that in many contexts the dichotomy between ‘real’ (or market) or ‘unreal’ (or welfare) economies is an oversimplification that ignores and potentially demeans Indigenous effort in the customary (or non-market) sector. Articulation between the state and customary sector has potential to expand the range of livelihood options for Indigenous people especially in situations where income support underwrites or supplements the customary sector. Conversely, any realistic appraisal indicates that if we replace the emotive gloss ‘real’ economy with the more precise terms ‘market’ or ‘private sector’ of the economy, then the purported prospects for achieving the state project of economic equality and independence in remote and very remote Australia are currently impossible on any regional scale. In short, the two-sector economy is the wrong model for such circumstances and the three-sector hybrid economy offers greater prospects for identifying and supporting livelihood futures that are more compatible with some key institutions of remote Indigenous Australia, namely kin-based economies, flexibility and diversity. Some brief empirical case material is provided to support this argument.

Second, I attempt to address Austin-Broos’s challenge by discussing the articulation between the hybrid economy and wider state institutions. The hybrid economy is not some autonomous Indigenous domain; it is thoroughly intercultural and highly reliant on community-based organizations and brokers. Such organizations play a crucial role in both mediating between the state and diverse projects and in enhancing Indigenous livelihood prospects; these are the particular form of joint venture that I focus on. I again demonstrate this empirically with a focus on one organization, the Bawinanga Aboriginal Corporation (BAC), an Aboriginal-controlled, white-managed organization in central Arnhem Land that has successfully facilitated the diverse economic aspirations of its Aboriginal members. I provide a brief critical appraisal of BAC in both regional and wider contexts to highlight some emerging tensions and dilemmas it faces, despite very obvious success.

It is time to explore ways to challenge an emerging policy hegemony that is advocating market-based, and now neo-liberal, solutions to Indigenous development problems – solutions that have had a poor track record. It should be highlighted at the outset that I am not arguing against market engagement for Indigenous people, merely noting that in the near future this option will not be available, or a priority, for all in remote and very remote Australia. Nor am I arguing that joint venture organizations need to be white or outsider managed, merely that this seems to be instrumental in the success of BAC for particular historical, political and cultural reasons in a situation where Indigenous kin-based relations of production remain important.

In such contexts and in the current political environment, the local, regional and national current and potential benefits of the hybrid economy, predicated on land rights and native title, need to be highlighted. This is partly because the state is actively seeking solutions to Indigenous underdevelopment. It is also because the land rights and native title regimes that underwrite the customary sector might be under threat if wrongly interpreted as the root causes of dependency and disadvantage.
Remote and very remote contexts and the policy response

At present, there are 120,000 Indigenous people, about 26 per cent of the total Indigenous population of 460,000, living in 1,200 discrete communities in remote regions. There are some important features of these contexts that make them fundamentally different from other Australian (and many international) development situations. First, these communities are in sparsely populated regions of Australia that are extremely distant, both geographically and culturally, from markets. They are located on the estimated 20 per cent of Australia that is owned by Indigenous people (Altman and Pollack 2001). Second, their forms of land ownership are different: land is inalienable and held under various common property systems. Third, owing to remoteness these regions were colonised relatively late, some parts of Arnhem Land and central Australia as recently as the last 50 years. This has meant that customary (kin-based) systems and practices are robust and there is ongoing contestation between western (mainstream Australian) and customary (Indigenous) worldviews.

In the last 40 years, as Indigenous people have incrementally attained legal status as citizens, there has been a strong state policy and ideological focus on equalisation of economic status. This focus is, arguably, at the heart of Australian federation and is reflected in the principle of fiscal equalisation between all States/Territories that aims to provide equal opportunity in access to services, irrespective of residential location or ethnicity. This principle, however, is predicated on a view that people will not reside beyond the market, in localities where there are limited commercial opportunities and non-existent or inadequately sized labour markets. It also fails to acknowledge historic exclusionary policy impacts and current race-based distortions in service delivery. However, the Australian nation-state enables Indigenous people in remote regions to stay in the townships created initially by administrative colonial fiat, and more recently outstations, on or near their traditional lands. An emerging feature of remote Indigenous Australia is that the populations of these communities are growing (Taylor and Bell 2004). This reflects attachment to both traditional country and to supportive regional social networks and family, and also to a realisation of how difficult it is to compete for mainstream jobs in urban contexts and the absolute limit to such opportunities (Taylor, this volume).

In economic terms, the most obvious feature of remote communities is the relative absence of the market (or private sector) and the disproportionate size of the state (public sector), both as provider of citizenship entitlements (health, housing and education) and income support. Conceptualisation of remote Indigenous economies in this way however, is grossly inadequate, for it overlooks the existence, significance, and future potential of participation in the customary (non-market) sector. Development policies for remote regions based on the existing two-sector model have come to a dead end for a variety of reasons. First, the private/public sector mix that prevails in metropolitan and settled Australia, takes a very different shape in remote areas where there is a customary sector and distinctively different intercultural value systems. Second, the commercial marginality of Aboriginal-owned land is precisely the reason it was historically unalienated and available for claim under land rights and native title laws – therefore options to grow the market sector are heavily circumscribed.

The complexity of Indigenous development issues cannot be underestimated and there is no question that health, education and other social infrastructure shortfalls, most associated with an historical legacy of severe under-investment, present enormous challenges. There is evidence that many discrete Indigenous communities in regional and remote Australia are in social crisis. Despite an expanding land base resulting from successful claims under land rights and native title laws, rapid population growth is creating escalating economic disparity (according to standard indicators) between such communities and other Indigenous and non-Indigenous Australians residing predominantly in settled and metropolitan regions. This disparity is highlighted in the most recent official statistics, although arguably for some indicators there is exaggeration of difference because the customary is not measured – the growing disparity is according to mainstream indicators (ABS 2004a, 2004b). As already noted, many observations of the current development trajectory for Indigenous communities in remote Australia are pessimistic. The dominant progressive ideology of last 30 years has allowed a
combination of citizenship entitlement (as a right) and self-determination to facilitate life-style choice that has not delivered measurable outcomes as measured by official statistics. A leading Indigenous spokesperson, Noel Pearson (2000) highlights the destructive impacts of what he describes as passive welfare ‘poison’ – intergenerational inactivity, he suggests, is a clearly a critical issue that needs to be urgently addressed.

The most recent policy response is incorporated in the Howard Government’s Election 2004 Platform (Liberal Party 2004). The way forward is committed to maintenance of the practical approach to reconciliation – closing the gaps in health, housing, education and employment as measured by social indicators – alongside radical reform that will target resources at those most in need. There is some suggestion that Indigenous-specific program support will be increasingly directed to remote and very remote communities where there is rapid Indigenous population growth and where problems are most severe. In line with a recent speech made by Amanda Vanstone (2004) to the Bennelong Society, there is a view that education is the passport to a better future; and a suggestion that anyone can successfully migrate for education and employment in cities, while keeping connections with home communities. At the same time it is recognized as important that economic development occurs at home communities on Aboriginal land to increase engagement with the national economy. And there is reference to the Indigenous Economic Development Policy Framework recently prepared for the Ministerial Council on Aboriginal and Torres Strait Islander Affairs (MCATSIA) by Power and Associates (2004). While there is strong emphasis in the Election platform on mutual obligation, ‘no work, no pay rules’ and activity testing – an ethical moralizing of the welfare sector in a particular way – there is little detail on how the market sector of the economy will be expanded and little additional funding proposed. It is of some concern that there is limited policy focus on those industries, beyond the arts, where remote communities already enjoy comparative advantage, often based on a cultural match between unique Indigenous skills and market demand. The state’s neo-liberal focus on the market and on individual agency precludes recognition of the value of Indigenous contributions in customary and unorthodox market activities. This in turn makes arguments for equitable state support for customary activity extremely difficult and appropriate interventions and policy approaches unlikely.

The hybrid economy framework

In many remote and very remote contexts, for Indigenous Australians the real economy is what I term ‘the hybrid economy’ comprising highly inter-dependent customary, market and state sectors (Altman 2005). This model has similarities with Yang’s (2000) economic hybridity and Gibson-Graham’s (2005) community economy, although in their work and contexts the state sector and welfare are insignificant. In terms of historical trajectory, the Indigenous economy was initially customary, before articulating first with the market and then the state (see Peterson, this volume).

Conceptually, the hybrid framework can be illustrated as in the Venn diagram above. The hybrid economy is made up of three sectors, the customary or non-market [2]; the market as in private sector employment or commercial enterprise [3]; and the state as in welfare support, or public sector employment – including in the Community Development Employment Projects (CDEP) scheme [1]. The model has four segments of overlap or articulation: between the state and customary, as when people harvest game for domestic consumption while paid CDEP wages [4]; the state and the market, when people work in enterprises while paid CDEP wages [5]; the customary and the market, in unmediated and informal exchange [6]; and the state, customary and market, as in the production of art for sale via a state-supported art centre [7].

While much of the emphasis in this paper is on the productive realm, each segment in the hybrid economy has distinct and dominant relations of production, with such relations in overlapping segments often unclear and hotly contested. In the customary kin-based sector, common property is often utilized and returns are widely shared and immediately consumed. Returns in the market-based sector are more individually oriented, but can be widely distributed. In the state sector, relations
of employment, quasi-employment or non-employment (welfare) may variably dominate and there is a tendency for payment to accord with the social constructs (like the nuclear family for welfare) of mainstream society, but actually distribution may accord with Indigenous community norms. Consequently, the actual social relations between a worker and those to whom they alienate their labour is not crucial to distribution of returns, although in some cases such social relations may explain continuity of employment (see Batty, forthcoming).

There are three additional features of this model that are noteworthy. First, the existence of multiple sectors can accommodate the dominant Indigenous institution of mobility in sociality, residence and location extremely well: while it can be administratively costly people can, and do, move freely between sectors of this economy. Second, the exact size of each sector will vary from one locality to another: the model can readily accommodate variability. Finally, because the hybrid economy sits within kinship dominated societies, it remains an economic form that generates limited material accumulation and little long-term saving and investment in conventional terms – it is at odds with the ideology of the market-based dominant society. This final feature is also structural as in many situations a mix of inalienable land and community housing undermines incentives and opportunities to materially accumulate, although some individuals do manage.

The hybrid economy: empirical evidence

Much of the empirical evidence for the conceptual framework being promulgated is based on research I have undertaken in a particular region, central Arnhem Land, in the tropical savanna over the past 25 years. This is a region of some 10,000 sq kms populated by about 2,300 Indigenous people from 13 loosely configured language communities and about 180 non-Indigenous people. Within the region, there are three highly flexible residential forms, living in the township of Maningrida; living at one or several of about 30 outstations in the region (and seasonally at one of hundreds of camps); and living between the two, between town and country (Altman and Johnson 2000). Each residential context and language community affiliation involves different forms of engagement within the hybrid economy framework: there is significant regional variation.

This sort of complexity and fluidity contributes to a lack of quantification of production in the hybrid economy, which arguably lies at the heart of understanding livelihood. This is partly because such quantification of production is enormously resource intense and difficult; and because much social action focuses on kin-based and culturally-distinct forms of distribution, exchange, expenditure and consumption. It is hardly surprising that social scientists struggle to document this economic form, let alone data collectors (often local people) from the Australian Bureau of Statistics.

My own work has focused on only one language community in the region, Kuninjku speakers, whose lands are situated to the south and west of Maningrida. This community totals just over 300 people living at 10 outstations and at Maningrida (and obviously elsewhere); their customary economy is based primarily on wildlife harvesting over about 2,000 sq kms. This community has particular distinguishing characteristics based on its historically recent articulations with the Australian colonial state. Kuninjku people were among the last into Maningrida, in 1963 and among the first back out onto to (re)establish outstations in 1972. Marginalisation in Maningrida in the 1960s during the state’s failed project of sedentarisation (Scott 1998), centralization and ‘civilization’ undoubtedly contributed to the maintenance of a robust kin-based customary economy – the policy umbrella of assimilation had an apparently perverse outcome.

I do not want to focus on the Kuninjku hybrid economy in too much detail here, merely to highlight it as an exemplar of this economic form. I collected information at one Kuninjku outstation, Mumeka in 1979–80 and estimated that the customary sector of the economy contributed over 60 percent of total income when non-market production was given imputed monetary value (cognizant of the theoretical problems in doing this according to conventional economics). At that time, the other sectors of the economy were welfare (at about 30 percent, the state) and sale of art (at about 10 percent, the market). In 2002–03, working with a team of biological scientists, an ecologist and another anthropologist and
Kuninjku collaborators, and using the 1979–80 year-long study as a statistical base, the quantification exercise was repeated, far less precisely. Imprecision was due to shorter observation periods, greater Kuninjku mobility, and more seasonality in harvesting. By this time, the state was without doubt the dominant source of income (about 60 percent from welfare and CDEP and some employment); customary harvesting had declined in overall significance, mainly because more Kuninjku were living in Maningrida and engaged in arts production; and the significance of the market had grown to about 20 percent. Much of the change in the proportions reported here reflects fuller incorporation in the state sector (more equitable provision of income support) and overall income growth.

I want to make a few observations from this particular case material in relationship to livelihooda and the future:

• While Kuninjku people are highly dependent on the state, especially on CDEP scheme payments paid to most at a bush rate and on Family Tax Benefits, they are also highly engaged with the customary and market sectors that keep them very active and that form the foundation of their productive economy.

• The documented resilience of this form of economy over the last 25 years indicates that it is sustainable and this augurs well for the future. This is despite ambiguities and emerging tensions in Kuninjku relations with the Australian state and its Indigenous affairs policy framework.

• Paradoxically, perhaps, Kuninjku people who were viewed as least well adapted to market engagement in the 1960s, have come to be the principal producers of commodity (art) exports from the region today and the best adapted to this particular form of market engagement. There are indications here that links to country and to the customary sector may enhance market engagement (Altman 2004b).

I want to make a few further observations, moving from the particular to the more general:

• There is insufficient comparative case study material on the hybrid economy, but some. Recent research in northern NSW at Wallis Lake indicates that the customary sector, measured in this case primarily by effort and return from fishing activity, has economic significance when quantified (Gray, Altman and Halatz 2005). And recent research from Torres Strait indicates that not only is dugong harvesting of significance, but that there are important articulations between the customary, market and state sectors that can be readily explained using the hybrid economy framework (Kwan, Marsh and Delean 2004).

• Activity in the officially ignored customary sector has a range of important indirect and spillover benefits. For participants, there are health and other benefits from both the production and consumption of harvested game. For regions and the nation there are positive externalities in natural and cultural resource management that would not happen without people on country and that are under- or unfunded.

There is a growing evidentiary base that Indigenous people are making significant contributions at industry and regional scales, either via the customary sector or in unorthodox market engagements. To date this has failed to capture the imaginary of either the bureaucracy or the Indigenous leadership – this may reflect the dominant view that this is not real economic, but rather ‘cultural’ production. But there is some evidence of emerging change, including the following three examples with which I have had some involvement:

• MCATSIA’s recent Indigenous Economic Development Framework (Power and Associates 2004) marks the first shift in a policy willingness to acknowledge the potential benefits of non-market activity since the Report of the Review of Aboriginal Employment and Training Programs (Miller 1985) near 20 years ago. The report includes sections on ‘Generating jobs and income through customary activities’ and ‘Supporting Indigenous use of land and assets’.

• The Draft NT Integrated Resource Management Plan currently being developed by Department of Infrastructure, Planning and Environment for the Landcare Council of the NT and the Commonwealth is highlighting the value of Indigenous NCRM activities and contributions.
A (failed) proposed supplementary bid by the Tropical Savannas Management CRC in December 2004 ‘Outback livelihoods: innovative commercial options for remote and marginal savanna lands’ sought to research many aspects of Indigenous hybrid economies – commercial use of native species of plants and animals; expansion of Indigenous arts production; re-establishment of Indigenous customary economies, in conjunction with commerce; connected ecotourism and Indigenous tourism; maintenance of ecosystem services as enterprise; and other commercial stewardship services.

Institutional underpinnings

Elements of the Indigenous hybrid economy are arguably everywhere in remote and very remote Australia, and everywhere they are mediated by Indigenous community-controlled organizations, what Rowse (2002) refers to as the Indigenous sector, and what I refer to here as the ‘joint ventures’ in the title of this paper. These organizations facilitate the engagements of their members and other Aboriginal people with the customary, the market and the state: they fulfill important mediation roles as the point of articulation with the market and state institutions.

It is surprising, perhaps, that the customary sector needs contemporary mediation, but in reality, such organizations are needed to facilitate connectivity with country. This is integral to the workings of the customary component of the hybrid economy, and while it can be privately sponsored on an occasional basis, this is far more difficult on a seasonal or permanent basis when the contemporary services of housing and infrastructure and year-round access to health, education and retail services are required.

Intercultural mediation with the market and the state is perhaps a clearer role for such organizations. The sheer remoteness, both in terms of distance and in terms of cross-cultural communications makes it crucial to have mediating organizations facilitate market linkage when goods or services are produced for sale. Perhaps the archetypal organizational form here is the community-controlled Aboriginal art centre that undertakes the collection and sale of art. Similarly the mediation of relations with the state, for the provision of services to people engaging in unorthodox lifestyles or for the tailoring of welfare or Indigenous specific programs to the needs of the hybrid economy requires ongoing advocacy and skilful management of the state’s universalism in social policy.

Empirical evidence: the Bawinanga Aboriginal Corporation (BAC)

In most situations where hybrid economies have been robust, community-controlled organizations have evolved, often organically, to adapt state institutions and opportunities to the particular aspirations of their constituents and others. One such organization on which I now focus, as a case study, is BAC located in Maningrida township in central Arnhem Land. It should be noted that BAC is one of several incorporated Indigenous organizations in Maningrida, with other key organizations including the Maningrida Progress Associated (MPA) and the Maningrida Council. A core difference between these three organizations is that the locus of the MPA’s work is private sector retailing (the market); the council’s is provision of local government services (the state); while BAC straddles the hybrid economy operating as what has been termed elsewhere a hybrid institution (Altman and Cochrane 2003). In regional comparative terms, BAC is the largest and most successful organization, possibly because it has the widest economic base and meets diverse Indigenous aspirations most effectively.

BAC is a complex organization that operates simultaneously as a community-governed outstation resource agency, a CDEP organization, a social services delivery agency and a regional development agency. It has its institutional origins as an Outstation Resource Centre that evolved in the early 1970s as a branch of the Maningrida Council to support Aboriginal people in the region who participated actively in the outstations movement (Coombs Dexter and Hiatt 1980). At that time, the organisation was small, staffed by a handful of staff that focused on the provision of rudimentary services to a growing proportion of the regional population that had returned to live either permanently or seasonally on their traditional lands (see Gillespie, Cooke and Bond 1977). In 1979, Bawinanga independently incorporated under Commonwealth statute as an outstation resource agency (ORA) and from that
time till the early 1990s it remained an ORA with a primary focus on a bush-based constituency: its main role was to enable Aboriginal people to live out bush, while facilitating their access to the market and state-based forms of support. BAC ran Maningrida Arts and Crafts as a state-subsidised business arm of the organization, assisted in the provision of housing and community infrastructure to small and remote outstation communities, provided communications (roads, bush airstrips and short-wave radios), assisted outstation residents in maintaining access to welfare entitlements as a agent for the Department of Social Security and provided political representation to its constituents.

From the early 1990s, BAC fundamentally changed as an organization, a change that was chronologically linked to the establishment of the Aboriginal and Torres Strait Islander Commission (ATSIC) and the early 1990s expansion of the Community Development Employment Projects (CDEP) scheme. From that time BAC has evolved into an increasingly complex hybrid organization that at once operates as a service delivery agency; a political organization, that both integrates and represents regional interests; an agency that supports people’s engagements across all sectors of the hybrid economy; and as a business generating profits for regional investment. Part of this organizational transformation can be directly attributed to the recruitment of a key individual, a non-Indigenous senior projects officer in 1991, who is now the organization’s general manager. Another is the growing scale of the organization owing to CDEP although whether it would have maintained this scale without astute project management skills is debatable.

The sheer scale and diversity of BAC in the context of Indigenous community-controlled organizations can be demonstrated with reference to its latest annual report (BAC 2004a) and audited financial statements for 2003–04 (BAC 2004b). In turnover terms, BAC generated total income of $22.4 million of which 54 per cent was from trading activity. The surplus generated before capital expenditure was $1.3 million. This activity is generated through the administration of some 60 projects, with the largest being a CDEP scheme with some 560 participants in 2003–04. In its annual report, BAC differentiates the two broad categories ‘member services’ and ‘community development employment projects’. This though is an oversimplification: many member services are available to non-members and are of a trading nature; and many community development employment projects are either enterprises, including commercial joint ventures, or seek to promote cultural activity. Indeed BAC operations reflect to some extent the flexibility inherent in its core program the CDEP scheme as intended by ATSIC and as recently described by Sanders (2004: 7) – BAC’s activities cover three ‘output groups’ in the old ATSIC nomenclature: economic development, promotion of cultural activity, and improvement to social and physical well-being.

In the context of current debates about welfare dependence and this paper’s focus on the hybrid economy, two issues stand out. The first is how BAC manages to administer a massive CDEP scheme with some 570 participants using variable hours and pay rates and the principle of ‘no work no CDEP pay’. CDEP participants are spread across numerous projects in Maningrida, but nearly 300 are categorized as outstation residents and paid for 36 hours a fortnight for unsupervised participation in customary work. Second, it is not easy to neatly categorise BAC’s activities, even across the seven segments of the hybrid economy framework described earlier. BAC’s own organizational chart differentiates services (in the state sector) from primarily commercial operations (in the market sector), with customary activity embedded within both, but also lying outside BAC’s ambit in the independent activities of the regional population.

BAC: critical success factors and emerging challenges

BAC is an organization that like so many in the Indigenous sector is founded on an inherent contradiction: it is at once community-based an accountable to its Indigenous constituency, while at the same time it is underwritten by the state and is also accountable to it. Why is it that BAC has been able to cope with this inherent contradiction while operating in the most difficult and remote circumstances? And why is it that it has flourished as an intercultural organization when so many others have failed?
These are not easy issues to address briefly, and I focus here on only two key factors that appear of crucial importance. First is the quality of BAC’s senior management. From its earliest days, as an outstation resource agency started in 1975, it has attracted small collaborative teams of non-Indigenous senior staff who have not only been committed to the notion of Indigenous self determination, but have also been willing to actively and politically confront the state with what this might mean in this particular Arnhem Land context. In the early days, this management team was an executive officer, an arts adviser and a mechanic. Today it is a Chief Executive Officer (who was the mechanic in 1975), a general manager and an accountant. These small teams of managers have combined particular sets of crucial skills.

In a recent paper, Phillip Batty (forthcoming) refers to the significance of Indigenous/non-Indigenous partnerships in the success of some organizations in central Australia in the self-determination era. Arguably, the recent success of BAC since 1990 has been predicated in some measure on the complementary skills of its two most senior managers – a culturally informed and politically-astute executive officer in that role since 1981 and an entrepreneurial and extremely capable project manager who has been employed since 1991. Both have also been able to keep an eye on each other, ensuring a degree of accountability that might be missing in monopoly management. This management partnership has extended to a partnership and affinity with BAC’s Indigenous Board, but unlike in Batty’s central Australian context, management/Board alliances have been dynamic and shifting, not static.

Second, the longevity of BAC and its institutional stability have made it an attractive proposition for state support. This has been based on its diverse successes and its burgeoning track record. In terms of the hybrid economy framework, from its earliest days, BAC has facilitated Aboriginal participation in all three sectors. More recently, with access to CDEP scheme, and other government support to meet citizenship entitlements, it has been able to set up major profitable enterprises (like a community store and service station); operate as an efficient provider of not-for-profit services (community bank, infrastructure provision, CDEP scheme, etc); and facilitate outstation customary (including harvesting, NCRM and fire management) and market activities (by maintaining Maningrida Arts and Culture as a very successful and long-term business arm).

At the same time, BAC faces some major emerging challenges that can be linked to its success, the complexity of the local polity and its relations to the state. The activities of BAC in the 1990s demonstrate that success in the hybrid economy in the tropical savanna is a distinct possibility: there are numerous emerging project possibilities, but these can also be the source of future conflict. One obvious issue is succession in its management team, an issue recently raised in strategic and succession planning. Another is the need to employ more and more non-Indigenous project managers, BAC already has 55 salaried staff, almost all non-Indigenous and many not as long-term committed nor as culturally aware as its senior managers. The growing non-Indigenous presence places pressure on scarce housing and also creates very apparent differentials in household wealth, yet there is little indication that these positions will be fully Indigenised in the short to medium term. An alternative is to seek to provide more wealth generating opportunity for local people in the market sector, but this raises questions about how to provide small business opportunity, how to raise capital outside the organizational carapace of BAC, and how to divest corporate assets to individual or family or outstation groups if they wish to undertake business activity in their own right.

This growing ‘Australian’ language community adds to the complexity of the local polity in a region with many different language communities each with different colonial histories, specialities, and aspirations that have been documented since 1959 (Hiatt 1965). This complexity is exacerbated by BAC, originally an outstation resource agency, having a growing township presence and having the capacity, through its organizational success to draw more and more of its core constituents from country to town. BAC’s core membership is bush based and there is a constant need to carefully balance their needs and aspirations with those of township-based members, residents and pressure groups. There is clearly potential for destructive conflict with BAC’s valuable and growing physical
assets base located on the regionally uncontested estate of the Dukurrudji clan. The politics of envy and the sentiments of the disaffected simmer, in inter-group friction and between groups allied to different Maningrida-based organizations. From time-to-time these erupt, with threats to evict non-Indigenous staff and suggestions by particular individuals that they will take over the running of BAC (or another organization). Success has to be carefully managed and the issue of strategic corporate governance looms large.

And finally, BAC is subject to shifting state approaches in Indigenous affairs, still largely determined for this remote outpost in Canberra by federal politicians. As noted earlier the latest shift appears to favour neo-liberal notions of mutual obligation, mainstream employment and economic independence, all concepts antithetical to the hybrid economy. Of immediate concern to BAC is the transfer of the CDEP scheme from ATSIC to the mainstream Commonwealth employment portfolio with a potentially limited capacity to appreciate the aforementioned match of flexible CDEP administration and activity maximization across the three-sector economy. And for BAC there are ongoing problems with work incentives in the township where state-sponsored welfare alternatives are ever-present and the financial benefits of working can be minimal. And there are attenuated policy commitments to coordination in service delivery and program administration, antithetical to BAC’s success in competitive grants bidding. And there are commitments to eliminate regional representation to be replaced by Shared Responsibility Agreements with ‘the community’ that could easily exacerbate regional contestations currently ameliorated by a diversity of organizations. All of this will require flexible and innovative management, advocacy, and mediation, diverting scarce management focus from the delivery of real development options that match diverse regional aspirations.

Conclusion: Economic futures on Aboriginal land

The hybrid economy model presented here seeks to intellectually reposition the category ‘culture’ as inseparable from ‘the economy’ by demonstrating that the customary sector is not external to the contemporary economy, but is an integral component of it. The empirical evidence focuses on one form of the hybrid economy: the Kuninjku economy. This sustainable Kuninjku economy has been observed now for 25 years and its particular form of hybridity has been mediated and facilitated by a resilient and equally hybrid organization, BAC, incorporated in 1979, also some 25 years ago.

The principal argument put forward here is that in the absence of sufficient market opportunity in remote regions and evidence of limited shift from kin-based production relations to the individualism demanded by market-based activity, engagement in the hybrid economy might be a preferred livelihood option for many Indigenous Australians. This is demonstrated with reference to the Kuninjku community where people move readily between the three sectors of the economy, where kin-based and market-based production relations co-exist, and where people regularly shift residence between township and on-country outstation living.

To date, Kuninjku seem to be getting the balance right for them, they are highly productive across the customary economy and the market economy, while also garnering state income support, especially when engaged in customary ceremonial activity. Getting the balance right is not assured and there are ongoing challenges. For example a successful artist might engage in arts production full-time and set up a studio in town; with time though the connections to the customary and country that inspire the art might disappear and the art would become something different. And there are other tensions: in the kin-based customary sector sharing ideology and practice remain dominant – incentives are both material and social. In the market sector, ideology and reward are oriented to the individual, yet the dominant kin-based ethic of sharing prevails: individual reward and maintenance of incentives requires careful negotiation.

The second part of my argument is that in the foreseeable future the hybrid economy will need to be underwritten by the state and mediated by organizations like BAC. Such organizations too will need to continue to be underwritten by the state, but this is common in remote and very remote Australia, especially when state service delivery is outsourced. What is unusual about BAC is its
institutional robustness and scale, features that I attribute to the quality of its non-Aboriginal senior management and to the joint venture that they have successfully established with BAC’s membership and Board. Maintaining this organization, supporting all three sectors of the hybrid economy, will also be challenging, particularly given recent shifts in the state’s approach in Indigenous affairs, and the looming issue of succession.

I conclude with some tentative moves from the particular to the general, bearing in mind that Indigenous circumstances in remote Australia are high variable owing to differing colonial and pre-colonial histories, differing environments and opportunities, and differing relations with the state – and highly variable local responses. The hybrid economy model discussed here can analytically accommodate such diversity because of its inherent flexibility. A three-sector economy with a robust customary sector has the potential, embedded mainly in the institution of flexibility, to accommodate the articulations between kin based societies and capitalism and the Australian state. This is not to say that there are not emerging tensions between kin-based and market-based relations of production. But the occupational movements between sectors of the hybrid economy made by Indigenous actors appear able to accommodate such tensions.

As noted at the outset, it is important that current policy prescriptions that are predicated on the assumption that standard market-based solutions, either on country or in cities, will suit all are challenged – it is important that the costs of moving from kin-based to market-based societies are not conveniently overlooked by advocates of the market way. It is also important that potential costs to the nation of implementing such policies, and their logical corollary of uninhabited country, are carefully considered. There are economic futures in the hybrid economy on country, some in the customary sector, others in existing and new market-based opportunities, and others still that will be state-funded, like so much else in remote Australia. As new options emerge, it is important that Indigenous people and their organizations are well positioned to engage with them. Livelihood options can be enhanced by growing all sectors of hybrid economy and by facilitating specialization, while being wary not to seek identical outcomes for different communities. At the same time, it is essential not to load the options dice too heavily in favour of undeliverable market-based proposals that run the very real risk of further marginalizing and demeaning Indigenous people engaging in the hybrid economy and living in remote and very remote regions.

Diane Austin-Broos (2003:130) challenges academics to address the notion of cultural difference embedded in the articulations between kin-based societies and capitalism and welfare. Addressing this challenge is urgent because there are policy and political processes currently in place that are focusing on monolithic market-based solutions to apparently intractable development problems. Twenty years ago, another anthropologist Clifford Geertz (1984) reminded us of the wrong-headedness of viewing Indigenous cultural domains as a hindrance to market-based development, of externalizing the cultural dimensions of change. Yet such views seem to be re-emerging in 21st century Australia, and elsewhere. The hybrid economy framework, and empirical evidence of its workability, seeks to directly challenge this re-emergence.

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References


Endnotes

1 See Altman (2004a). An exception is provided by the writings of David Throsby (2001) on economy and culture.
2 Including the Ndjebana, Nakkara, Gun-nartpa, Gurrongi, Kune, Dangbon, Kunbarlang, Djinang, Rembarrnga, Anbarra Burrrra, Martay Burrara, Wurlaki and Kuninjku.
3 In some recent consultations with Indigenous staff of the MDBC I have noticed the term ‘cultural economy’ used to refer to non-market production.
4 I have worked with BAC since its separate incorporation in 1979. Initially, it was primarily a conduit to my research with the Kuninjku community, but I also worked closely with one of its business arms, Maningrida Arts and Culture since 1980. From 1998, I have had a series of more formal collaborations with BAC as a research partner, consultant and most recently in assisting the organization with the development of its first Strategic Plan 2004–2006; with an Induction Manual; and in the development of cross-cultural training material for its non-Indigenous staff.
5 BAC has published descriptive annual reports (beyond audited financial statements since 1999 (see BAC 2000, 2001, 2003).
I should add that in another regional context, I have seen the same complementarities shared by two senior Aboriginal members of the Gagudju Association who lead the organization during its heydays between 1980 and 1989 (Altman 1997).

The scale of BAC has allowed it to maintain a diversity of roles that span the cultural and the economic. In a paper focused on BAC's wildlife management activities alone the following diverse roles were identified: representation of the interests of 100 land-owning clans; integration of the diverse view of this constituency; advocacy for the rights and interests of the regional Aboriginal population to a range of external state agencies; support for their diverse development aspirations; building partnerships with external experts and allies; pursuing innovation and taking commercial risk; participating in inter-sectoral economic activities; and adhering to an intercultural, professional approach (Altman and Cochrane 2003: 7).

An issue recently recognized and addressed with mandatory cross-cultural training for non-Indigenous staff and with the production of an induction manual (Johnson 2004).