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**NEOLIBERALISM AND THE OMISSION OF SOCIO-  
SPATIAL JUSTICE  
IN REGIONAL DEVELOPMENT THEORIES AND POLICIES**

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## **My hypothesis contains four elements:**

- 1. The foundations of the crisis are embedded in uneven socio-geographical development among EU regions which existed before the crisis and intensified after Euro's introduction**
- 2. In the context of neoliberal hegemony, particular elites took advantage on the inevitable unevenness to regain political and economic control within the EU**
- 3. Neoliberal approaches helped to obscure the interplay between internal/endogenous and external/exogenous factors responsible for geographical unevenness by focusing only on internal factors**
- 4. Issues of social and geographical injustices became "unspeakable". This became possible, among other things, due to the contradiction of the Euro as a currency without an underlying political sovereign power**

The paradigm of 'third way thinking' was termed "New Regionalism" (NR) and "Territorial Innovation Models" (TIM) and became compatible with a neoliberal view. Five points are in order:

- *A key difference over values, goals and methods between "old" progressive welfare planning and "new" regionalism is political.*
- *A focus on few successful "star" cities and regions and neglect of "ordinary" places. Interest only in internal/endogenous factors ignoring external/exogenous ones*

- ***Neglect of the regulatory role of the state.*** Elimination of municipal/national welfare planning, from government to governance, privatizations, resulting in new enclosures
- ***Emphasis mainly on the supply side*** and scant attention to the demand side and global competition
- ***Inadequate analysis by NR and TIM of issues of everyday life and living*** (beyond consumption and lifestyle), work, poverty and unemployment and current deep social, demographic and ethnic changes in Europe at multiple spatial scales.



**“The liars in the European family”**

**The ideological debate concerning the crisis: why should other Europeans help?**

**The “cleansing” of political discourse permitted the omission from the EU agenda of issues of socio-spatial justice and solidarity**

**The problem of values and goals of regional development in a structurally unequal Europe and Eurozone**

**Austerity packages imposed on Southern Europe are not a “just policy for local people” as argued by EU and IMF leaders, but an ultra-neoliberal policy rescuing primarily the banking system**

**The Eurozone is a production of a new uneven space that is fundamental for the reproduction of European capital. Three major socio-spatial and scalar contradictions:**

- 1. The Euro is based on a geography and political space that does not exist as such: it lacks the relationship between the sovereign state with sovereign powers and individual citizens**
- 2. Who and where count today as subjects of justice in the Eurozone? None in the Eurozone enjoy at the Eurozone level conditions of justice and solidarity**
- 3. European labour markets remain a national/ regional affair, regulated mainly by national laws, not by EU or Eurozone**

**It's time for a paradigm shift and this may involve a double shift: going back to some earlier welfare and political economy paradigms without repeating mistakes of the past; and a step forward integrating lessons from emancipatory local social movements across SE and globally.**

**Re-politicize our thinking and actions: ask who is losing/benefitting, why and how**

**Go beyond the endogenous model and search for inter-relations with other places**

**An inclusive approach that encompasses "ordinary" places. Social, spatial and environmental justice**

**The state has to be restored and a major democratic restructuring of European institutions is needed**

**A new radical theoretical framework needs to include several issues that NR never spoke about**

**Finally, we have to think seriously about all those local/regional grass-roots solidarity mobilisations in Europe and beyond, which have provided innovative development solutions beyond the market as such**

