

## Contesting the politics of neoliberal resilience

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# Contesting the politics of neoliberal resilience: regional labour market resilience from a workers' perspective

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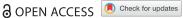
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## Contesting the politics of neoliberal resilience: regional labour market resilience from a workers' perspective

Tony Dobbins<sup>a</sup> o and Alexandra Plows<sup>b</sup>

#### **ABSTRACT**

The concept of resilience has been captured by a neoliberal discourse displacing responsibility to individuals and regions. This article specifically examines the regional labour market resilience of workers and other regional stakeholders relating to an ongoing economic restructuring process of deindustrialization and redundancies in Anglesey, North West Wales, in the UK. Using 11 years of longitudinal qualitative research, we provide an empirical narrative that applies a labour market resilience framework (challenge, context, responses and outcomes) from a workers' perspective. It connects the empirical findings from this critical case study to broader generalizability for regional studies and regional policy implications. Regarding generalizability to regional studies theory, the labour market resilience of workers is impacted at different but interlinking levels: the global systemic level of neo-liberal capitalism; the national country level of institutional varieties of capitalism (liberal market economies versus coordinated market economies); and regional variations across countries.

deindustrialization; labour market; neo-liberalism; regional resilience; Wales; workers

JEL J2, J4, J8

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#### INTRODUCTION

The concept of regional resilience to crises (notably the 2008 financial and economic crisis and Coronavirus) has attracted growing attention in recent years in this journal and elsewhere, to the extent of warranting special issues (Bailey et al., 2020; Bailey & De Propris, 2014; Bailey & Turok, 2016; Christopherson et al., 2010; Clark & Bailey, 2018; Martin et al., 2016). Evidently, the 2008 crisis has had varying and uneven impacts on the resilience of countries and regions (Clark & Bailey, 2018; Martin et al., 2016; Sensier & Artis, 2016), as has the Coronavirus crisis (Bailey et al., 2020).

However, existing regional theories do not adequately theorize the resilience of regional *labour markets*, especially from a workers' perspective. In considering this, the article draws on empirical evidence from the regional labour market context of Anglesey, North West Wales, in the UK. Drawing on 11 years of longitudinal qualitative research, the article provides an empirical narrative to apply a labour market resilience conceptual framework (incorporating factors affecting labour market resilience from a workers' perspective, as follows: challenge, context, responses and

outcomes). In doing so, it connects the empirical analysis and findings from this critical case study to broader generalizability for regional studies internationally and identifies some implications for regional policy. The research question is: What does regional labour market resilience mean in reality for workers?

We start by critically reviewing the existing regional studies literature on the concept of regional resilience, specifically labour market resilience. Existing theories of regional resilience are missing a theoretical account of labour market resilience from a workers' perspective one which extends analysis from regional labour institutions to an examination of the role played by neo-liberal capitalism more widely. This facilitates generalizability beyond our critical case study of Anglesey/North West Wales in the UK. In relation to this, we observe that, influenced by dominant neo-liberal normative discourse, there is a danger of resilience de facto narrowly being understood as meaning an 'individualization' of responsibility (the UK and other nation states shifting responsibility onto individuals to adapt to crises through, for instance, enhancing their supply-side employability skills). More broadly, it entails a 'regionalization' of responsibility (the

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UK and other nation states shifting responsibility onto regions such as North Wales/Anglesey to deal with crises, but without providing the policy tools or devolved powers for this). Other critical regional studies scholars make similar points (Hudson, 2010; MacKinnon & Driscoll Derickson, 2013; Pike et al., 2010).

The section after the review of literature considers the research methods. The qualitative research methods used to address this question are outlined, consisting of ethnography, interviews and documentary analysis conducted longitudinally in the region of Anglesey (North West Wales) during a 11-year period (2009–19), in the aftermath of the 2008 financial crisis. This provides a critical case study, enabling the connection of place-specific empirical findings to broader generalizability. Research context and empirical findings are then presented under thematic headings (challenge, context, responses and outcomes) regarding the conceptual framework of labour market resilience (a workers' perspective). The paper concludes by identifying generalizable theoretical and policy implications for regional labour market resilience.

#### **REGIONAL RESILIENCE**

As noted, current theories of regional resilience lack conceptualization of labour market resilience from a workers' per-The origins and definitions multidisciplinary concept of resilience, as applied to regional resilience research, have already been covered elsewhere (Martin & Sunley, 2015; Pendall et al., 2010). Conceptual roots lie in the natural and physical sciences, with subsequent crossover to the social sciences, including regional and labour market research. Existing definitions of resilience fall under three main headings: engineering, ecological and adaptive. 'Engineering resilience' emphasizes systemic stability at an equilibrium or steady state and refers to the resilience of a system to disruption and capacity to bounce back to the pre-disturbance equilibrium (Holling, 1973). Regarding regional resilience, this entails the capacity of a regional economy to recover its pre-existing equilibrium after a shock/crisis. 'Ecological resilience' builds upon the idea of an ecosystem, under which external shocks and disturbances can move a system from one equilibrium to another (Simmie & Martin, 2010). Finally, 'adaptive resilience' emphasizes systemic capacity to reconfigure (adapt) its structure (institutions, organizations, industries, technologies) in response to external shocks. Here, resilience is seen as an evolutionary process of constant adjustment. There is no assumption about stable equilibrium; in regional economies, for example (Martin et al., 2016; Pendell et al., 2010).

Definitions of regional resilience have emerged. Hill et al. (2008, pp. 4–5) define regional resilience as 'the ability of a region to recover successfully from shocks to its economy that either throw it off its growth path or have the potential to throw it off its growth path but do not actually do so', while Chapple and Lester (2010, p. 86) define it as 'the ability to transform regional outcomes in the face of a challenge'.

#### LABOUR MARKET RESILIENCE

There is some excellent research on regional resilience, the adaptive capacities of labour markets, and implications for employment, skills and employability (Green & Livanos, 2015; McQuaid et al., 2013; McQuaid & Lindsay, 2005). Nevertheless, critical labour market resilience scholarship (incorporating a workers' perspective) remains relatively underexplored and conceptualized. This is especially pertinent to addressing issues of justice, fairness, inequality, inclusion/exclusion, job quality, and well-being for vulnerable workers in peripheral regional labour markets (Bigos et al., 2013; Clark & Bailey, 2018; Hudson, 2010; Organisation for Economic Co-operation and Development (OECD), 2012). Most importantly, setting out a theory of labour market resilience from a workers' perspective is important for extending generalizability to other regional contexts internationally.

The concept of labour markets encompasses the institutions and policies that govern supply and demand exchange of labour. Regional policies generally target labour markets from one of two directions (or combinations of both): a focus on labour supply or labour demand. This includes how jobs are distributed among workers and employment governance, mobility, supply of skills and training capabilities, and distribution of wages and other rewards (Berg & Kalleberg, 2001; Kalleberg & Sorensen, 1979). Labour market policies in the pre-2008 crisis era generally prioritized activities aimed at up-skilling labour supply (e.g., training, education and apprenticeships); this supply-side focus was particularly evident in the UK context and remains so (Keep, 2016). However, regional development may also emphasize policies that target labour demand, such as sectoral strategies and regional innovation systems (Clark & Bailey, 2018; Mazzucato, 2018).

Labour market actors, especially workers and the unemployed, face various challenges resulting from broader structural dynamics or abrupt shocks, notably the 2008 financial crisis (Bigos et al., 2013, p. 5; Clark & Bailey, 2018), or, more recently, the Coronavirus pandemic (Bailey et al., 2020; Dobbins, 2020). Therefore, in post-crisis periods, research and policy on labour market resilience needs to address structural labour demand factors. This is vital, as major contraction in labour demand creates waves of restructuring, plant closures, redundancies and layoffs that increases unemployment and underemployment rates (Bailey et al., 2014; Braidford et al., 2012; Clark & Bailey, 2018; Dobbins et al., 2014; Dobbins & Plows, 2017). An important common point in redundancy studies regarding the employment trajectories of ex-workers is that availability of new employment (especially decent quality work) largely depends on levels/types of labour demand in different regions; which tends to be higher in city regions (Bailey et al., 2014) relative to declining, peripheral and/or rural regions (Dobbins et al., 2014; MacKay & Davies, 2012).

The OECD (2012) examines the role of institutional factors in explaining labour market resilience, by addressing the question: What makes labour markets resilient during recessions? More specifically, it assessed factors affecting resilient labour markets, taking a 'workers' perspective' by measuring outcomes reflecting how crises affect workers' welfare. The OECD defines resilient labour markets as 'labour markets that weather economic downturns with limited social costs or, more formally, limited losses in worker welfare' (p. 57).

Bigos et al. (2013) make an important contribution by providing a worker focused definition of labour market resilience, a political economy and institutional lens to analyse it, and a conceptual framework of labour market resilience, applied in our framework below. They define labour market resilience as 'the capacity of labour markets to absorb external shocks and mitigate their impact for employment levels, specifically for vulnerable groups' (p. 4). They argue that comparative political economy literature enhances the explanatory power of the resilience concept, emphasizing comparative institutional regimes of labour market regulation. Labour market resilience is embedded in a social and institutional context, not just economics. Socio-economic and institutional conditions, and responses directed at labour market inclusion of vulnerable groups such as the unemployed, young, etc., can be identified. But this requires that policies affecting labour force participation are coordinated across different policy domains, that is, labour market (re)regulation, active labour market policies, income policies, industrial strategy, regional banking, etc. (p. 6).

## National varieties of capitalism/labour market institutions

Regional labour market resilience is affected by national country differences in labour market institutions. This premise is heavily influenced by Hall and Soskice's (2001) varieties of capitalism distinction between two alternative types of institutional models for achieving 'comparative institutional advantages': liberal market economies (LMEs) or coordinated market economies (CMEs). LMEs and CMEs are associated with two contrasting labour market/employment relations typologies: competitive flexibility (LMEs) and cooperative (CMEs). The competitive flexibility (LMEs) model refers to individualist countries (including the UK, the United States and Australia) in which the economy primarily operates according to liberalizing free market principles and short-term shareholder value time horizons, and emphasizes deregulation and labour flexibility for maximizing unfettered supply and demand in labour markets. It is widely assumed in LMEs that worker acceptance of flexibility promotes labour market resilience. In contrast, the cooperative model (CMEs) (including Austria, Belgium, Denmark, Finland, Germany, the Netherlands, Norway and Sweden) embeds complementary linkages between institutions promoting cooperation across various levels, and patient longer term collaborations occur between employers, workers and their representatives, and other institutions and actors. An emphasis is placed on more collectivist labour market regulations protecting workers against structural inequalities and power imbalances, to sustain mutual cooperation and longer term employment relationships (Bigos et al., 2013). These distinct models of institutional comparative advantage shape differentiation in competitive strategies of sectors/firms/responses to market pressures between CMEs and LMEs. Stronger institutional, business and labour market regulations in CMEs are said to be more likely to promote quality-oriented competitive postures, whereas more laissez-faire market conditions in LMEs are said to favour cost/price competition (Hall & Soskice, 2001; Hauptmeier & Vidal, 2014).

Nonetheless, some scholars (Crouch, 2005; Esping-Andersen & Regini, 2000; Streeck & Thelen, 2005) correctly claim that the LME-CME distinction is too sharp and understates national (and regional) institutional complexity and diversity. The UK and US are often presented as LME ideal types, and Germany and Sweden as CME ideal types. This is mainly accurate. But in reality hybrids exist comprising elements of both LME and CME categories, best viewed along a continuum. Institutions in countries grouped in the same category may vary greatly and produce different outcomes. Furthermore, institutions are not static but evolve over time; particularly in recent years, as institutional adaptations have occurred in reaction to market pressures and systemic capitalist shocks. Significantly, there are multiple institutional variations across different regions within nation states.

#### Neo-liberal capitalism – systemic forces

Our own conceptual approach endorses some comparative political economy insights by Bigos et al. (2013) and the varieties of capitalism and labour market institutionalism perspectives. Nevertheless, we express scepticism and caution, because there is a danger of resilience and labour market resilience de facto being narrowly defined as meaning an individualization of responsibility - or more precisely here, regionalization of responsibility. We also identify (which many in the resilience and labour market institutionalism literature do not) the wider generalizable systemic source of this regionalization of responsibility, emphasizing that the overall systemic context of capitalist accumulation imperatives unleashes crises. This has accelerated in an era of deregulatory neo-liberalism and intensification of shareholder value extraction, evidenced by the 2008 crisis of financialization and its reverberations (Bowman et al., 2014; Lapavitsas, 2011; McMurtry, 2013; Peck, 2013; Streeck, 2017; Thompson, 2013; Thompson & Harley, 2012).

A contradiction/paradox enshrined in neo-liberal resilience discourse is that it has greatly enhanced the exposure of vulnerable regions such as North Wales, and others internationally, to economic restructuring. Yet, simultaneously, responsibility for the disruption neoliberal policies have unleashed (workplace closures, redundancies, unemployment/underemployment) has been devolved and deflected from government and employers downwards

to individual workers/the unemployed, and regions affected (Hudson, 2010; MacKinnon & Driscoll Derickson, 2013). Consequently, resilience fits the self-reliance narrative and discourse of neoliberalism, because individuals and regions are expected to be resilient in response to destructive phenomena they did not cause and have little control over (deindustrialization, financial crises, Brexit, etc.).

There has been a tendency among neoliberals to down-play the interventionist role of the state (unless it serves the interests of big business and the wealthy, that is, privatization, bank bailouts and corporate tax cuts), and to hijack the resilience concept to reinforce ideologies espousing market forces and competition (MacKinnon & Driscoll Derickson, 2013). Hence, resilience can be 'easily captured by neoliberal ideology, to prioritize the status quo, and the importance of self-reliance, flexibility and role of "self-correcting" market adjustments' (Bailey & Turok, 2016, p. 558; Martin & Sunley, 2015, p. 8).

Moreover, underlying generalizable systemic shocks and strains themselves created by the turbulence of capitalism are often assumed as a given under neo-liberal hegemony; such as a natural environmental disaster, a 'law of nature' (McMurtry, 2013). Therefore, the depoliticized ecological origin of resilience suits a status quo narrative of neoliberal capitalism as 'the only show in town' (Davoudi, 2016; Fainstein, 2015; Peck, 2013). This 'law of nature' normalizes 'regionalized responsibility' for tackling symptoms of crises rather than locating and addressing underlying causes/consequences in neoliberal capitalism - to do so could reveal hidden power relations and underlying conflicts of interest, dominated by wealth-extracting activities of elites and corporate plutocrats (Fainstein, 2015). However, in response to repeated shocks and strains, how resilient/adaptive do regions or individuals have to be before grave social tensions erupt? When these shocks and strains are outside of actors' control, resilience discourse looks suspiciously such as 'blaming the victim' (MacKinnon & Driscoll Derickson, 2013).

Therefore, we identify, as others have, (MacKinnon & Driscoll Derickson, 2013; Pike et al., 2010) the danger of resilience de facto being narrowly normalized as 'individualization' of responsibility or 'regionalization' of responsibility. For example, the meritocratic discourse of employability places onus on individuals to increase social mobility by obtaining education credentials and qualifications to enhance their resilience in competition with other talented 'human capitalists' - reflected in language such as 'the war for talent' (Fleming, 2017). Individual 'human capitalists' are supposedly 'free agents' with freedom to determine their own working futures, but with that comes responsibility for their own economic fate (Brown et al., 2020; Fleming, 2017). Such is the dominance of human capital theory orthodoxy (Brown et al., 2020; Dobbins et al., 2014; Fleming, 2017; Keep & Mayhew, 2014; MacKay & Davies, 2012), that attention is focused on the supply-side capacity of individual actors (and regions such as North Wales and elsewhere) to adapt to the turbulence unleashed by neo-liberalism. The problem with this

supply-side resilience orthodoxy is that redundancy/ unemployment and resulting disruption in regional communities cannot be addressed by pure supply-side policies of training and education – it cannot be ameliorated simply through retraining and new skills. Indeed, this skills panacea is counterproductive and wasteful if new skills are simply not used/underemployed (Brown et al., 2020; Keep, 2016; Keep & Mayhew, 2014).

Supply-side focus also connects with optimistic rhetoric about regions competing to upskill and attract innovative entrepreneurial knowledge workers (Thompson & Harley, 2012). Policymakers and researchers are often seduced by the notion that the knowledge economy (clusters of high-value-added sectors) is the engine that can ignite regional growth (Clark & Bailey, 2018). But high-value-added knowledge sectors require patient long-term investment in people and work systems, which is in contradiction with short-term pressures for maximizing shareholder value extraction in financialized economies such as the UK and US. This is not conductive to stable sustainable social relations and bargains at work (Thompson, 2013; Thompson & Harley, 2012).

Thus, neoliberalism encourages unequal Darwinian competition among individuals/regions globally. Not all can win in a zero-sum game that pits individuals and regions in competition (Bowman et al., 2014; MacKinnon & Driscoll Derickson, 2013). Inevitably, the strongest usually win, hence why London and the South East of England fare better than places such as North Wales and Northern England on most socio-economic league tables (Beel et al., 2019). This underscores that inequality is a structural vulnerability for some regions (Wilkinson & Pickett, 2018). Lewin et al. (2017) raise similar issues about regional inequalities in the US context, finding that more unequal regions are less resilient to crises. This implies a need to focus on job quality (Findlay et al., 2017) to enhance resilient labour markets, not just presence and quantity of jobs. This reflects the broader 'good work' debate in the UK, including the Taylor Review of Modern Working Practices (Bales et al., 2018; HM Government, 2018). A radical new interventionist political economy of work is required that targets the labour market holistically to tackle structural inequalities (Clark & Bailey, 2018). This requires rethinking failed supply-side rhetoric about a high-skill knowledge economy that can only realistically benefit a privileged minority in a few places. Attention could be focused on improving existing jobs and creating more good jobs in the 'foundational economy', comprised of socially essential work in local communities (Bowman et al., 2014; Brill et al., 2015; Foundational Economy Collective, 2018). This is discussed in the conclusion.

Capitalism has generalizable systemic properties regarding profit accumulation imperatives. Capitalist economic shocks have intensified in recent decades, yet impacts are not uniform across the world, exemplified by the preceding analysis of comparative structural inequalities. Contemporary neoliberalism is mediated and filtered by societal level effects causing contextual variation in

national country and regional capitalisms, labour market institutions, social relations, competitive postures, and agency (Brenner et al., 2010; Hauptmeier & Vidal, 2014; Peck, 2013; Thompson & Harley, 2012). Differences in the role of the state (including at regional level) remains crucial, hence continued relevance of varieties of capitalism and labour market institutions.

## Conceptual framework of labour market resilience

Drawing on research by Bigos et al. (2013), this section outlines a generalizable conceptual framework of labour market resilience (Figure 1), encompassing factors affecting labour market resilience from a workers' perspective. The four dimensions of the conceptual framework identified by Bigos et al. are: challenge, context, responses and outcomes. Currently, apart from Bigos and colleagues' framework, there is no broadly accepted definition and conceptual framework of labour market resilience to apply empirical analysis. It is our view that this is the first attempt to combine factors affecting labour market resilience, and the linkages and dynamics between each, in a conceptual framework; hence why we chose to apply it. As illustrated in Figure 1, labour market resilience directly relates to responses to systemic challenges, revealed through different outcomes. Moreover, labour market resilience is also path dependent upon the initial structural context in different countries (and regions). Therefore, building on the earlier sections reviewing the overall concept of resilience and then specific analysis of labour market institutions, regional labour market resilience concerns the capacity of regional labour markets to withstand or recover from challenges (especially as they affect vulnerable groups such as precarious workers and the unemployed/underemployed). We elaborate on these four interconnecting factors below (see the review essay on labour market resilience by Bigos et al., 2013, for more detail).

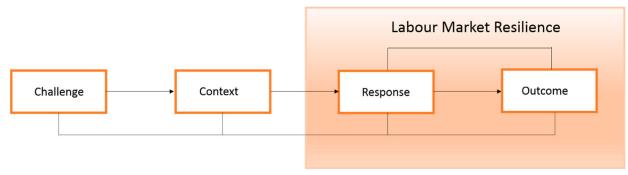
Challenge is the conceptual starting point and refers to external disturbances and shocks that can severely weaken functioning of regional labour markets and trigger systemic uncertainty, resulting in job losses, unemployment, underemployment, etc. This can be observed with economic restructuring, deindustrialization, the 2008 financial

crisis and subsequent Great Recession, and, more recently, Coronavirus. This is not to discount that challenge can be positive as well as negative. The second key component of the framework is the context that shapes regional labour market structures, comprising institutional, structuraldemographic and socio-economic conditions. The institutional structure of the labour market concerns the extent of regulation of the employment relationship, including legal enforcement of employment standards, minimum wages, working time, employment contracts, trade unions, and unemployment benefits. Socio-economic structure concerns firm size, regional disparities and industry structures. The demographic population structure, and skillsjobs mismatches, also impacts labour markets. A systemic aspect of labour markets is unequal distribution of vulnerabilities among different groups, sectors, organizations, regions and countries. The third component is regional responses that are context-bounded and refers to the adaptive capacity of labour markets to respond to challenges posed by external economic shocks in the short or longer terms, through policy innovations and labour market institutional changes. The final dimension is regional outcomes, reflecting the extent to which regional labour markets are affected by challenges. According to the OECD (2012), labour market resilience to external shocks can be measured by identifying changes in workers' welfare; underemployment including unemployment, earnings.

Based on our empirical evidence about the regional labour market context of Anglesey, we apply this conceptual framework to the research question: what does regional labour market resilience mean in reality for workers? We connect the empirical analysis and findings from our critical case study of Anglesey to broader generalizability for regional studies theory and policy elsewhere.

#### **METHODOLOGY**

The research unit of analysis was a qualitative critical case study of the regional context of the isle of Anglesey in North West Wales. This single regional critical case context has clear relevance and generalizability beyond the empirical findings for other regions, notably regarding implications for better understanding of theories of



**Figure 1.** Labour market resilience framework. Source: Bigos et al. (2013).

regional labour market resilience and policy implications (Mitchell, 1983). Our critical case study generates what Williams (2000) calls *moderatum* generalizations – in the sense that it enables a modicum of generalization beyond the immediate case data. Regarding our critical case, we can identify a conceptual framework of regional labour market resilience that can be theoretically generalized as a broader set of factors applicable for empirical examination in other international regional studies contexts. Additionally, we have been able to 'ground truth' (Robbins, 2003) relevant regional labour market theories, through applying them empirically to this real-world setting, in the process making a contribution to the advancement of this body of theoretical knowledge.

The qualitative research methods consisted of ethnography, semi-structured interviews with workers and regional actors, and regional labour market documentary analysis conducted longitudinally over a 11-year period (2009–19), after the 2008 financial crisis. The research tracked stakeholder and worker responses to redundancy due to closure of two large industrial plants on the isle of Anglesey Aluminium Ltd (AA) and Wylfa A nuclear power station (see also Dobbins et al., 2014; Dobbins & Plows, 2017). Interviews<sup>1</sup> and other qualitative data provided empirical evidence through worker and stakeholder narratives of redundancy, structured around the four aspects of the labour market resilience conceptual framework (challenge, context, responses and outcomes).

First, AA closed in September 2009. The aluminium smelter was located near Holyhead on Anglesey. It was one of the largest employers in North West Wales, employing 540 people. Consequently, a research project was initiated to identify impacts of the closure in a peripheral semi-rural region from the perspectives of redundant workers and regional labour market actors, focusing on their personal experiences of redundancy and post-redundancy trajectories, including retraining and reemployment, and personal (worker) and professional (stakeholder) views of opportunities and challenges facing the region's labour market. A 'snowball sampling' technique was used to enrol 'hard to reach' (Atkinson & Flint, 2001) participants (ex-workers), as by the time the research was conducted the AA workforce were already redundant. Trade union representatives provided initial points of contact with exworkers, with interviewees subsequently providing names of other ex-colleagues. Qualitative data were collated between January 2010 and autumn 2012. Nine interviews occurred between January 2010 and July 2011 with 12 individuals, comprising: two group discussions with five Unite trade union officials and plant representatives; five interviews with ex-AA workers; two interviews with key stakeholders - one support organization, the Citizens Advice Bureau (CAB) and one member of Anglesey County Council's Economic Development Unit. The research built in a longitudinal element. Informal followup discussions with Anglesey Council, CAB and trade union stakeholders, and a workshop in March 2012 to provide feedback on findings to research participants, provided another layer of qualitative data. To supplement this dataset longitudinally, additional qualitative fieldwork was undertaken in autumn 2012, consisting of semi-structured conversations with four ex-AA workers, two of whom had not previously been interviewed. This enabled some retrospective considerations of personal trajectories following redundancy.

Second, the authors then examined redundancies relating to the decommissioning/closure of Wylfa A nuclear power plant, also on Anglesey. The Nuclear Decommissioning Authority (NDA) were directed under the Energy Act 2004 to decommission Magnox Ltd's nuclear power stations in North Wales: Trawsfynydd in Gwynedd and Wylfa A on Anglesey. Electricity generation at the Wylfa A plant ceased on 31 December 2015. A total of 90 workers at Wylfa A were made redundant in May 2016, with subsequent phased job losses (Dobbins & Plows, 2017). Some pre-emptive measures, which anticipated and aimed to mitigate redundancies, were implemented. This primarily consisted of a supply-side strategy aimed at bolstering reskilling and retraining: the Shaping the Future (StF) programme. StF ran from 2012 to spring 2015, the original projected date for final redundancies (in reality, the timescale for final redundancies 'stretched' by at least 18-24 months).

Between 2012 and 2015 (the timeframe for the StF project, during which Wylfa was still operating), the authors were fortunate to be able to undertake ethnographic 'embedded participant observation' (Plows, 2018) on StF as part of research on anticipatory stakeholder responses to Wylfa redundancies. One of the authors was employed to provide labour market intelligence for StF, identifying training opportunities and skills needs for Wylfa workers. As both an employed subcontractor and an ethnographic researcher (where the research element was made explicit and informed consent sought and given), the author explored the effects of redundancy in the Welsh nuclear industry and worker and stakeholder responses, using their own experience as a reflection. This 'embeddedness' additionally built trust and facilitated access to stakeholders most closely involved in mitigating the impacts of Wylfa redundancies, as well as revealing workers' views about future prospects as expressed during StF engagement and training sessions.

A total of 11 in-depth semi-structured interviews were additionally conducted during this timeframe (2012-15) with a sample of stakeholders, including StF staff, Unite union shop stewards and regional officials, local political figures, and Anglesey Council Economic Department's senior staff. As with the AA interviews, these provided narrative accounts framed around the labour market resilience conceptual framework. In contrast with the interviews with AA workers, interviews with StF, union and wider stakeholders were predominantly focused on strategic policy actions taken in their professional capacity. Moreover, it was notable that these interviewees also provided significant personal reflection, including accounts of how friends and family had been adversely affected by redundancies. The qualitative research was accompanied by extensive secondary documentary data collection,

including socio-economic statistics and regional labour market intelligence.

#### **FINDINGS**

The empirical data from the qualitative critical case study of the context of Anglesey are presented below under the labour market resilience conceptual framework of challenges, context, responses and outcomes (Bigos et al., 2013). This framework can be applied beyond our single case to other international regional studies contexts.

#### Challenges

Anglesey, a peripheral rural island economy in North West Wales, has experienced long-term economic problems and ongoing deindustrialization predating the 2008 financial crisis. However, the shock of the 2008 crisis exacerbated the challenge of economic disruption and related strains (simultaneously grappling with long-standing gaps in the region's labour market). Like many other regional places both elsewhere in the UK and internationally, Anglesey was exposed to the external shock of financialized neoliberalism, but responsibility for this challenge caused by the economics and politics of neoliberalism was largely regionalized (Hudson, 2010; Lapavitsas, 2011; Lewin et al., 2017; MacKinnon & Driscoll Derickson, 2013; Pike et al., 2010).

Subsequent closure of large employers such as AA and Wylfa A has left a significant vacuum of good jobs and presented a challenge not just for the individuals affected and their community, but also regional labour market policy. Brexit also continues to be a big 'known unknown' challenge impacting on the North Wales economy. A serious Brexit risk for NW Wales is loss of EU structural funding: 'Wales must have replacement funding from UK sources after 2020 and at levels equivalent to what Wales would have otherwise received through the EU to help address Wales' long-term challenges ....' (Welsh Government, 2017).

#### Context

Wales is a country which is part of the UK's LME (Crouch, 2005; Hall & Soskice, 2001). Successive UK governments have emphasized freedom for market mechanisms, flexible labour markets and limited labour market regulations and protections. It is relatively easy for employers to hire and fire workers. Labour market policies are relatively non-interventionist, and largely restricted to (low) unemployment benefits and some supply-side retraining and employment assistance (Keep, 2016). Within this, the Welsh government has some devolved powers from the UK government, although its overall power to deviate from UK government labour market policy is still restricted (it is pushing for greater devolved powers) (Beel et al., 2019). The specific socio-economic context of the North West Wales region (specifically, the counties of Anglesey and Gwynedd) is one of vulnerability. As noted, the region is experiencing ongoing deindustrialization as AA, old nuclear power stations, and other large traditional employers close (and problems filling the gaps). 'the Anglesey economy is [in] terminal decline, it is a very gradual decline but it is in decline ... between 2009 and now, about 1000 jobs have been lost in the manufacturing sector in Anglesey' ('Brian', Anglesey Council, 2013).

Large-scale job losses have been felt even more acutely in a region where many people work in micro businesses employing nine people or fewer. In June 2020, 89.8% of businesses on Anglesey were micro enterprises, in stark contrast with only 0.8% of businesses employing 100-249 people. The situation in Anglesey has been broadly consistent over the past decade: 'We don't have many large, well-paid employers on the island outside of the public sector... Wylfa [was]... one of the few [large employers]... in that middle part [between micro businesses and large employers] there's a very big gap ...' ('Iestyn', Anglesey Council, 2014; originally cited in Dobbins & Plows, 2017, p. 576). While this gap of mediumto-large employers is especially acute on Anglesey, it is not unique to it; this gap has been described as the missing Welsh 'Mittelstand' (Brill et al., 2015). Anglesey also has substantial levels of self-employment, consistently higher than the Wales average; at 11.6% on the island in 2020 compared with an all-Wales average of 9.3% (Office for National Statistics (ONS), various years). Regarding industrial structure, the region has a high percentage of jobs in the agriculture, tourism, production, and wholesale, retail, transport, hotels and food sectors. For example, 6% of employment on Anglesey is estimated to be in agriculture/forestry, compared with 1% for the UK (Statistics for Wales, 2012, p. 8). Significantly, and problematically, jobs in these sectors are often low paid, casualized and seasonal, although quality tourism is a strategic priority for Anglesey Council.

Anglesey had the dubious honour of having the lowest gross value added (GVA) of any UK unitary authority for several years until 2018, and still has one of the lowest in the UK (Statistics for Wales). The Holyhead area is also a designated area of high multiple deprivation: 'The majority of the "Communities First" [high deprivation] areas for Anglesey are in Holyhead. Which is where the majority of the workers were located' (Testyn', Anglesey Council; originally cited in Dobbins et al., 2014, p. 522).

The demographic context is also problematic. Some interviewees raised concerns around the outmigration of the young due to lack of opportunities, and in-migration of retired people in particular localities (e.g., Benllech on Anglesey). Further statistics and discussion of Anglesey's socio-economic context are provided in Table 1 and below.

#### Responses

Local, regional and, to an extent, national stakeholders, particularly Magnox (the UK-wide nuclear management and operations contractor), the Nuclear Decommissioning Agency (NDA), Anglesey Council and others, have been developing anticipatory responses to redundancies at Wylfa since the early/mid 2000s. They identified how

**Table 1.** Anglesey labour market statistics over time.

| Labour market profile field                       | Anglesey,<br>2009 <sup>a</sup> | Wales, 2009 <sup>a</sup> | Anglesey,<br>2013 | Wales, 2013  | Anglesey,<br>2016 <sup>b</sup> | Wales, 2016 <sup>b</sup> | Anglesey,<br>2020 | Wales, 2020  |
|---|--------------------------------|--------------------------|-------------------|--------------|--------------------------------|--------------------------|-------------------|--------------|
| Micro enterprises (0–9 employees) as              | 91.7%                          | 89.1%                    | 91.0%             | 88.5%        | 90.2%                          | 89.1%                    | 89.9%             | 89.4%        |
| a % of the total businesses                       | (2010)                         | (2010)                   |                   |              |                                |                          |                   |              |
| Medium enterprises                                | 0.8%                           | 1.4%                     | 1%                | 1.5%         | 0.9%                           | 1.4%                     | 0.8%              | 1.4%         |
| (50–249 employees) as a % of the total businesses | (2010)                         | (2010)                   |                   |              |                                |                          |                   |              |
| Self-employment as a % of all                     | 9.7%                           | 8.3%                     | 10.8%             | 9.0%         | 12.1%                          | 9.2%                     | 11.6%             | 9.3%         |
| economically active people                        | (January–                      | (January–                | (January–         | (January–    | (January–                      | (January–                | (January–         | (January–    |
|   | December                       | December                 | December          | December     | December                       | December                 | December          | December     |
|   | 2009)                          | 2009)                    | 2013)             | 2013)        | 2016)                          | 2016)                    | 2020)             | 2020)        |
| Unemployment as % of all                          | 7.4%                           | 8.2%                     | 8.6%              | 7.9%         | 5.1%                           | 4.6%                     | 4.0%              | 3.7%         |
| economically active people                        | (January–                      | (January–                | (January–         | (January–    | (January–                      | (January–                | (January–         | (January–    |
|   | December                       | December                 | December          | December     | December                       | December                 | December          | December     |
|   | 2009)                          | 2009)                    | 2013)             | 2013)        | 2016)                          | 2016)                    | 2020)             | 2020)        |
| Gross weekly pay (all fulltime workers)           | £436.70                        | £444.60                  | £446.70           | £475.30      | £472.60                        | £499.2                   | £534.80           | £541.70      |
| GVA (£ millions) by area and year                 | £814                           | £48,681                  | £861              | £55,434      | £970                           | £61,338                  | £1050             | £65,453      |
|   |                                |                          |                   |              |                                |                          | (2018,            | (2018,       |
|   |                                |                          |                   |              |                                |                          | provisional       | provisional  |
|   |                                |                          |                   |              |                                |                          | figure)           | figure)      |
| % of businesses by industry type: %               | 21.4%                          | 12.2%                    | 22.3%             | 12.6%        | 20.4%                          | 11.3%                    | 23.9%             | 13.0%        |
| of agriculture, forestry and fishing businesses   | (March 2009)                   | (March 2009)             | (March 2013)      | (March 2013) | (March 2016)                   | (March 2016)             | (March 2020)      | (March 2020) |

Note: <sup>a</sup>Anglesey Aluminium closed 2009. <sup>b</sup>Closure of Wylfa A in December 2015. Sources: Office for National Statistics (ONS) (Nomisweb), Stats Wales (gross value added (GVA) figures), and Infobase Cymru (% businesses by industry type).

redundancies would negatively impact an already depressed labour market, and have made strategic interventions on both the supply and demand side. A 2006 report, commissioned by these stakeholders, formed the basis for strategic supply and demand side interventions. 'Brian', seconded from Wylfa management to Anglesey Council, explained: 'That [report] really drove us to the County Council really to take a long, hard look at what could be done in the locality ....'

Subsequent initiatives can be understood in terms of these stakeholders operating as labour market intermediaries (LMIs) seeking to better match supply and demand in the local labour market (Dobbins & Plows, 2017). The LMIs discussed here are StF on the supply side and Anglesey Council's focus on demand-side initiatives.

#### Supply-side: Shaping the Future (StF)

Primary emphasis on 'supply-side' interventions to mitigate redundancies and boost regional regeneration fits employability policy orthodoxy, as seen in other regions in LMEs in the UK and internationally (Brown et al., 2020; Fleming, 2017). Various supply-side initiatives have been developed in the region, particularly around energy-related skills/training. This includes College Menai Llandrillo's Energy Centre, 'providing a onestop-shop for all the skills needed in order to underpin a new generation of energy production', with support from Horizon through funded nuclear apprenticeships. However, our focus is on StF. StF had an articulated 'supply-side' strategy based on (UK and Welsh) government economic regeneration policy directives, such as Skills that Work for Wales (Welsh Government, 2008). StF focused on upskilling the Wylfa nuclear workforce facing redundancy. Stakeholders within Magnox/Wylfa and Anglesey Council won £4 million funding for StF through a European Social Fund (ESF) Framework specifically dedicated '[t]o support[ing] the development of higher-level skills and systems for workforce development that will contribute to the improvement of the Welsh economy' (Wavehill, 2014a, pp. 11-12).

StF was operational between early 2012 and June 2015, with a remit to assist workers facing redundancy at Wylfa and Trawsfynydd (Gwynedd) nuclear plants by providing funds of up to £15,000 per worker for retraining/reskilling and new qualifications; with the objective of enhancing employment opportunities in the region post-redundancy. StF also undertook some basic supply/demand-side matching, providing the workforce with information about regional opportunities in different sectors (labour market briefings) and identifying qualifications required. Workers often then acquired qualifications, for example, relating to the energy/renewables sector, because of the regional focus on energy, and the close match to their skill set. However, StF did not, and was not equipped to, play a more expansive role in regional (re)development, because the actors involved could not influence whether demand-side proposals actually materialized.

#### Demand-side: Energy Island

In paying attention to demand-side considerations, it is interesting that strategic thinkers at Anglesey Council did not just rely on classic human capital theory assumptions that all that was needed to improve regional economic recovery was to (re)train the workforce. From around 2008, together with other regional stakeholders forming a loose coalition/network, Anglesey Council developed the 'Energy Island' (2014) initiative; a strategy of attracting inward investment around energy, including renewables (wind, wave, solar), biomass and a new nuclear plant (Wylfa Newydd):

The Anglesey Energy Island  $^{\text{TM}}$  Programme is a collective effort between several stakeholders within the public and private sector working in partnership to put Anglesey at the forefront of energy research and development, production and servicing ....  $^3$ 

Anglesey Council saw that low carbon and energy development had the potential to come to the area... there was a realisation that the council had to be proactive in terms of how it interacted with these organisations. So... that is how Energy Island came into being.

(Brian, Anglesey Council)

Around the same timeframe, Welsh government enterprise zones were launched. The zones are 'geographical areas that support business infrastructure and offer incentives'. Each enterprise zone has a different sectoral focus; Anglesey's is energy. A strong, proactive narrative of Anglesey as a place to invest in energy projects was developed. Therefore, local stakeholders did not simply sit around and wait for employers to invest in the area. They proactively sought to stimulate the demand-side and attract inward investment; with the workforces of AA and Wylfa particularly in mind, and future regional employment prospects generally. Energy Island constituted a strategic initiative to stimulate the demand-side, within the limits of what regional actors could do. However, crucially, these actors had no capacity to directly fund inward or local investment. Frustratingly, for local stakeholders trying their best against the odds, a number of Energy Island initiatives have been shelved; notably including the flagship new nuclear power station, Wylfa Newydd, after Japanese multinational Hitachi announced in 2019 that it was halting the project, now in limbo (BBC News, 2021).

#### **Outcomes**

Suspension of the Wylfa Newydd nuclear project was another body blow to regional labour market resilience on Anglesey, following years of economic shocks relating to deindustrialization and the 2008 financial crisis. Below, we outline labour market outcomes – unemployment/employment, job quality/underemployment, earnings – which reveal the erosion of labour market resilience on Anglesey. These indicators of labour market

resilience outcomes were chosen because they are prominent in labour market resilience literature (Bigos et al., 2013; OECD, 2012), and also common outcome indicators in labour market statistical data (ONS). The outcomes also depict quite a similar narrative of decline (especially following closure of large companies in regions and places heavily reliant on 'single' manufacturing industries) to other empirical studies in regional studies in the UK and internationally (Braidford et al., 2012; Lewin et al., 2017; MacKay & Davies, 2012; Sensier & Artis, 2016).

#### Unemployment/employment

Officially, unemployment on Anglesey dropped from a high of 8.0% in 2013 to 4% in 2020, close to the Wales national average of 4.1% (ONS, various years). This is a low percentage, but official unemployment data do not show the whole picture and mask the fact that many people may be inactive, in work but underemployed, or in low-wage precarious employment or self-employment (as noted above in the context section and below). There are also factors related to Covid-19, such as many people being furloughed and/or possibly subsequently made redundant in 2021 (Brewer et al., 2020).

Deindustrialization, the loss of large employers and fewer medium to largescale enterprises is problematic. For redundant Wylfa workers seeking new employment, the issue is the lack of 'absorption capacity' within local small and medium-sized enterprises (SMEs)/microbusinesses to 'soak up' a large cohort of skilled workers and through the process, grow their own operations and capacity. This was also evidenced after the AA redundancies in 2009; those workers who stayed locally found few employment opportunities to absorb their skills and training: 'There is no point training as a plumber if there is no plumbing work. ... There is just nothing here to train for' (Geraint, ex-AA worker, 2010; originally cited in Dobbins et al., 2014, p. 527).

Following the closure of AA, there were few examples of SMEs recruiting skilled redundant workers. It is a significant gamble for local SMEs to develop capacity and extra employment in anticipation of forthcoming opportunities in large projects, which may never actually materialize (e.g., Energy Island projects). Postponement of the new nuclear project is the most prominent example. As worryingly for local workers and stakeholders, other Energy Island renewables projects have also vanished including the 'Rhiannon' offshore wind farm,<sup>5</sup> cancelled in 2014. Others face uncertain futures, including the 'Skerries' tidal energy generation project (owned by Marine Current Turbines/Siemens) proposed for the northwest coast of Anglesey. What this illustrates is that Energy Island initiatives are subject to the vagaries of market forces, and difficult to coordinate with mass redundancy timescales, despite the best efforts of local actors. The uncertainty relating to Energy Island projects and associated infrastructure is crucial regarding failure to replace loss of traditional good jobs with new good quality jobs.

#### Job quality

As noted, official unemployment data do not portray the whole picture of Anglesey's labour market. Underemployment, a lack of quality jobs and 'bad deals' for workers, such as precarious short-term and zero-hours contracts, were raised repeatedly by interviewees: 'it's a high-risk environment, people are just concerned about keeping their heads above water ... working very hard to survive. ... The biggest problem is people who are underemployed ... they're in employment, but they're not using their skills ... '('Iestyn', Anglesey Council; originally cited in Dobbins & Plows, 2017, p. 576).

A widening gap in Anglesey's labour market is insufficient new quality jobs replacing old ones lost. Indeed, demand-side scarcity of job quality is a broader problem facing many UK regions (Findlay et al., 2017; MacKay & Davies, 2012). While employment levels on Anglesey seem relatively robust in quantitative terms, that is, unemployment levels are officially low, wage levels are comparatively low and the island generally relies on sectors characterized by low pay. Many jobs are seasonal and part-time, notably agriculture and tourism. Such gaps in the local labour market means Anglesey lacks resilience when additional external shocks occur, such as subsequent waves of deindustrialization and associated redundancy. By tracking post-redundancy trajectories of the AA workforce, we identified that these previously well-paid skilled workers were now having to 'make do and mend', following closure of the plant in 2009. Others had taken early retirement or moved away. Although some redundant AA workers found new work locally, this employment was, for most, less well-paid and of lower quality than their previous roles. Ex-AA workers faced a paradox of being over-skilled but underemployed. Some workers retrained but there were insufficient quality job opportunities locally, as this quote about post-redundancy work experience highlights: 'when the chicks come onto the farm I put them into the sheds and then you go round each farm helping the manager and the foreman. Then you pick the dead up that have died overnight and do a bit of general maintenance ... ' ('Geraint', ex AA worker; originally cited in Dobbins et al., 2014, p. 527). This labour market gap is now also the reality facing Wylfa workers made redundant and experiencing a regional labour market with few available quality jobs. The choices confronting ex-Wylfa workers are: retire, move away, wait in limbo for new projects or be forced to 'make do and mend' such as the AA workforce before them. Many of the people we interviewed had a very realistic, not to say bleak, assessment of the situation, noting:

There's nothing much available for people now. ... It's going to be a difficult decade after Wylfa closes its doors.

(Gethin, StF project officer, 2014; originally cited in Dobbins & Plows, 2017, p. 579)

There's a lot of things gone and there is a lot of talk about things being replaced or coming in but there is not a lot happening now is there? There is a big gap there isn't there. ... What happens after [Wylfa redundancies]?

(Andrew and Harry, Unite trade union officials, 2014)

A human resources manager at Wylfa seconded to StF said that he had been 'telling the young lads they'll have to leave'.

Moreover, it was evident that some workers made redundant opting to move into self-employment were doing so out of 'necessity entrepreneurialism', that is, out of need, and no alternative, rather than because of identified opportunities.

Depending on their capacity and willingness to be mobile, skilled nuclear workers made redundant are possibly more likely to move away for work than take lower skilled jobs locally in the hope of better things to come; like some AA workers before them: 'some people have gone to Qatar. That has a hell of an impact on young families. ... Do you want to go to a hot climate with totally different rules for women? It is a big step' ('Dewi', ex-AA worker, 2010; originally cited in Dobbins et al., 2014, p. 526).

Other people in the labour market are at risk too, not just redundant Wylfa and AA workers. These include young people, such as the generation currently emerging from the new energy related training courses, and uncertain about whether new opportunities will materialize. Uncertainty regarding planned Energy Island projects is thus having a negative impact on individuals' skills/training choices and career prospects. Such delays and derailments significantly affected the outcomes of StF; some workers undertaking StF funded offshore wind and marine related courses in anticipation of the 'Rhiannon' windfarm and the Skerries tidal scheme, guit these courses halfway through when Rhiannon was cancelled and Skerries postponed. Market uncertainty is therefore adversely affecting peoples' skills/training decisions, an issue also raised by a Careers Wales senior manager, who noted that they simply did not know what to advise people about training and qualifications they should be accessing; primarily because of being unable to confidently predict if such opportunities would actually arise.

#### **Earnings**

Job quality and underemployment are also reflected in comparatively lower wages on Anglesey (Table 1). Wylfa and AA were unusually well-paying large employers on the island and their closure has left a significant earnings vacuum. Anglesey has some of the lowest wages in the UK, with gross weekly pay in 2020 standing at £534.80, compared with a £541.70 average in Wales and the Great Britain average of £587.10 (ONS, 2020). In 2013, when Wylfa was still operational, gross weekly pay on Anglesey was £446.70 with the all-Wales average standing at £475.30 (ONS, various years). By comparison, in 2013 the Magnox nuclear workforce at Wylfa A earned an average of £853.00 per week, nearly double Anglesey's average wage at the time (Wavehill, 2014b, p. 8).

For ex-Wylfa workers, finding replacement quality well-paid work locally that compared favourably with the wages and jobs they have lost was almost impossible, as it had previously been for ex AA workers:

the key issue with Anglesey Aluminium ... was not just the number of jobs but the quality of the jobs and salaries ... the average wage of Anglesey Aluminium was about £35,000 and the average wage on Anglesey [was] £21,000 ... one job in Anglesey Aluminium is roughly equivalent to losing two anywhere else on the island.

('Iestyn', Anglesey Council; originally cited in Dobbins et al., 2014, p. 522)

Next, the conclusions identify some broader implications for regional theory and policy arising from our framing of regional labour market resilience from a workers' perspective, which are relevant internationally beyond our case study of the regional context of Anglesey.

#### **CONCLUSIONS**

This article advances theoretical understanding in regional studies about regional labour market resilience as a way to frame the agency of workers and other stakeholders to an ongoing economic restructuring process of deindustrialization and redundancies in Anglesey, North West Wales, in the UK. In doing so, it has drawn on 11 years of longitudinal qualitative research (see also Dobbins et al., 2014; Dobbins & Plows, 2017), to provide an empirical narrative of a labour market resilience framework (challenge, context, responses and outcomes) from a workers' perspective. It connects the empirical analysis and findings from a critical case study to broader generalizability for regional studies and identifies some implications for regional policy. Our critical case study generates what Williams (2000) calls moderatum generalizations - because it enables a modicum of generalization beyond the immediate case data. Regarding our critical case, we identify a conceptual framework of regional labour market resilience that can be theoretically generalized as a broader set of factors applicable for empirical examination in other international regional studies contexts.

Regarding generalizability to regional studies theory, we argue that labour market resilience of workers is impacted at different but interlinking levels: the global systemic level of neo-liberal capitalism; the national country level of institutional varieties of capitalism (LMEs versus CMEs); and regional variations across countries such as the UK. At the systemic level of contemporary capitalism, this article has argued that, influenced by dominant neoliberal human capitalist discourse and policies, regional resilience/labour market resilience has been captured and rhetorically normalized as too narrowly meaning an 'individualization' of responsibility or, more broadly, a 'regionalization' of responsibility (Hudson, 2010; MacKinnon & Driscoll Derickson, 2013; Pike et al., 2010). The ecological origin of resilience as a concept is ideally suited

to a narrative of neoliberal capitalism as the only show in town, when this is not correct (Davoudi, 2016; Peck, 2013). The underlying systemic shocks and strains themselves created by the turbulence of (neoliberal) financialized capitalism tend to be taken as a given, like an extreme weather event, an unstoppable law of nature (Fainstein, 2015; McMurtry, 2013). But, when these externalities are outside of regional actors' control, resilience too often looks like political leaders and other 'elite' interests displacing responsibility by expecting the victims in places such as Anglesey to adjust to systemic crises and shocks they have little influence over. Such 'elite' displacing of responsibility for resilience to external turbulence onto often vulnerable individuals and regions applies to other international regional contexts also (Lewin et al., 2017). That said, important institutional variations remain between countries labelled as LMEs and CMEs, so that global capitalism is filtered by institutional differences between countries (notably the extent to which labour markets are regulated or deregulated by the nation state) (Crouch, 2005; Esping-Andersen & Regini, 2000; Hall & Soskice, 2001; Streeck & Thelen, 2005). Finally, there are multiple differences in labour markets at regional level (Braidford et al., 2012; Lewin et al., 2017; MacKay & Davies, 2012; Sensier & Artis, 2016).

Reflecting the above, our research has not just critiqued regional labour market resilience theory and policy and stopped there. Rather, applying and building on Bigos et al.'s (2013) labour market resilience framework (challenges, context, responses and outcomes), we have argued that a more worker focused conceptualization of resilience, that also considers broader (global, national, regional level) political economy factors, is necessary for contesting and (re)assessing how resilient workers/the unemployed and regions are to external crises. In doing so, we empirically assessed labour market resilience on Anglesey, and found that resilience has been severely eroded (measured by outcomes for workers of unemployment/employment, job quality/underemployment, earnings) by external systemic and political economy factors largely outside local actors' capacity to control or change. The empirical findings provide an evidence-based critique of supply-side neoliberal human capital theory, which still underpins much economic development policy orthodoxy, but is no magic 'silver bullet' (Brown et al., 2020; Fleming, 2017). The research identifies the problems underpinning a misguided policy focus on supply-side capacity-building when demandside provision is market forces led and uncertain. These problems apply to other UK and international regions where supply-side economic thinking and uncoordinated market-led liberalization policies prevail, and deindustrialization has left a serious scarring effect which remains unaddressed - notably in LMEs (Braidford et al., 2012; Lewin et al., 2017; MacKay & Davies, 2012; Sensier & Artis, 2016).

In addition to advancing regional labour market theory, notable regional policy implications are also identified – not just affecting Anglesey, but also extending to other UK and international regional contexts. After years of

regional abandonment, there is an urgent need for national policymakers in the UK and other international regional contexts to address underlying causes of labour market fragmentation and disorder, rather than displacing and avoiding fundamental structural problems by solely focusing on the capacity of local actors and regions to deal with symptoms. The labour market scarring effects of deindustrialization are especially acute in LMEs - one clear lesson is evident: regional labour market policy cannot be left to the invisible hand of market forces; there needs to be coordinated interventions by the state at national and regional levels to achieve 'levelling-up' for left behind communities (Tomaney & Pike, 2020). If labour market resilience is to inform theory and policy, it should be focused on helping the vulnerable (the redundant, unemployed and precariously underemployed) and aligned with alternative more holistic supply and demand-oriented regionally devolved policy ideas; notably the 'foundational economy' (Foundational Economy Collective, 2018) and a 'Green New Deal' (Michie, 2018).

The 'foundational economy' offers a practical radical alternative vision for guiding future regional jobs policy in Wales/UK and international regions, and underpinning greater labour market resilience (Bowman et al., 2014; Brill et al., 2015; Foundational Economy Collective, 2018; Green & Sissons, 2021). The main argument is that industrial and jobs policy should incorporate more traditional indigenous labour-intensive sectors and their supply chains embedded in the 'foundational economy'. Bowman et al. (2014, p. 119) define the 'foundational economy' as creating socially useful good and services in sheltered indigenous sectors with three related factors: first, they are necessary for everyday life; second, they are required by all people regardless of wealth; and third, they are distributed via (regional, local) places and networks. Foundational sectors embedded in localities include: supermarket food retailing and food processing; energy and telecommunications; transport; private sector activities such as retail banking; and state-provided functions such as health, education, welfare and social care, characterized by increased outsourcing (Dobbins & Plows, 2017). Such foundational necessities of life are directly or indirectly regulated by the state. It is estimated by Bowman et al. (2014) that one third of the UK workforce is employed in the foundational economy, a figure even higher in Wales (37.8%) (Dobbins & Plows, 2017). There could be social licencing regulations (a new social contract), whereby the right of employers to trade in foundational activities would depend on procurement and compliance with social responsibilities such as providing decent jobs, paying real living wages, training, and recognizing trade unions (Brill et al., 2015; Foundational Economy Collective, 2018). To this could be added green jobs in local community projects, such as tree planting/rewilding, green social housing provision and community redevelopment, and other aspects of a 'Green New Deal'. To its credit, the Welsh Government (2021) have adopted new policy initiatives funding experiments in the foundational economy (see Green & Sissons, 2021, for a review).

Current policies in Wales and other regions, too reliant on attracting inward investment from multinationals and perpetuating permanent economic growth, are unsustainable, especially in largely rural non-urban regions (Beel et al., 2019). Given the existential crisis of climate destruction and overconsumption, sustainable green and foundational local community jobs are required in many neglected regions internationally. This could encompass a 'job guarantee' policy (Tcherneva, 2018), backed by the state, whereby public works jobs programmes could provide a real living wage for socially useful work in local communities. Such 'levelling-up' measures are necessary to create more good jobs supporting self-esteem and dignity at work for left behind communities (Cruddas, 2021). New regional policy interventions by the state have been given added urgency by the global Coronavirus public health and socio-economic crisis (Bailey et al., 2020; Dobbins, 2020).

To conclude, 40 years of neo-liberal human capital (ism) have had a corrosive impact on labour market resilience of workers and the unemployed in regions such as Anglesey, as our findings have revealed. But there are considerable barriers to new interventionist regional labour market policies required to dismantle self-regulating market orthodoxy, accentuated by deeply embedded structural damage to the Welsh/UK economy, the complexity of holistic policy interventions required to solve the 'wicked problem' of regional scarcity of decent jobs, and lack of imagination and longer term attention spans in conventional political circles. This study focuses on a critical case study of a specific region, so this limits its empirical generalizability. However, notwithstanding this empirical limitation, it advances generalizable knowledge about regional studies theory and policy by presenting a conceptual framework for labour market resilience from a workers' perspective. Further comparative qualitative/ mixed methods research examining labour market resilience in other international regions would be important for developing conceptual issues raised here and debating new policy directions. This is especially important as regions deal with the socio-economic consequences of the Coronavirus pandemic.

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#### **NOTES**

- 1. Some quotations from interviewees in the findings were originally published by Dobbins et al. (2014) and Dobbins and Plows (2017).
- 2. See https://www.gllm.ac.uk/busnes/about-us/facilities/.
- 3. See http://www.anglesey.gov.uk/business/energy-island/.
- 4. See https://business.wales.gov.uk/enterprisezones/.
- 5. See http://www.bbc.co.uk/news/uk-wales-north-west-wales-28580683.

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