

# FABIAN REVIEW

*The quarterly magazine of the Fabian Society*

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# GREEN SPACE



*How the environment became political again,  
with Natan Doron, Cathy Jamieson, Keith Allott  
and Frances O'Grady **p8** / Essay: Michael Jacobs on  
green social democracy **p14** / Interview: Mary Riddell  
speaks to Labour rising star Rachel Reeves **p20***

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# FABIAN REVIEW

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## FABIAN REVIEW

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## Shifting the balance

If Labour shows it's serious about keeping spending under control, it can set out a positive alternative to further years of grinding austerity —*Andrew Harrop*

**G**EORGE OSBORNE'S AUTUMN statement delivered terrible news for the government. But it was also pretty grim reading for Labour, considering that the party now stands a very good chance of winning the next general election and inheriting the coalition's fiscal mess. The chancellor announced that his plans for reducing the budget deficit would mean cuts until 2017/18, with spending due to fall by £9bn in real terms in the second and third year of the parliament. The figures look especially grim for public services, which can expect a cumulative cut of more than 7 per cent between 2015 and 2017. These long-term projections are bound to be revised, but the recent past suggests the numbers could end worse not better if the economy ends up growing by less than the Office for Budget Responsibility predicts once again.

The figures set the backdrop for the Fabian Society's new Commission on Future Spending Choices. Launched in November, the commission is a year-long inquiry, chaired by Lord McFall, considering the spending options available to the next government. How should we restrain public spending while maximising prosperity, sustainability and social justice?

The commission's starting point is that any future government must be serious about bringing down the deficit. However, that does not mean aping George Osborne's plans. It would be a great error to promise to match the current government's commitments for the early years of the next parliament, as New Labour did in 1997. Indeed, Osborne may be trying to lay a trap for Labour by tempting the party to sign up to a plan that is less about cutting the deficit and more about permanently shrinking public spending: the chancellor is planning to 'overshoot' his own fiscal targets by balancing the budget one year early and then go on cutting. What's more, his post-election plans include not only spending cuts but also a falling tax burden. This is akin to the

US Republicans' budget plans, which seem set on taking the United States over the 'fiscal cliff' in the new year.

So Labour should start to think about its own alternative to the cuts the coalition plans for 2016 and 2017. For example, the party could instead plan on the basis of a one per cent annual increase in spending. This would still mean difficult decisions because spending on public services and benefits tends to rise by more. However, it would enable Labour to set out a positive alternative to further years of grinding austerity and would also ensure that the share of the economy devoted to public spending did not dip too far below the UK's post-1945 norm.

The upshot of this would be that a future Labour government would spend a bit over £20bn more than the Conservatives currently plan in 2017. This may sound like a lot of money but compare it to the sort of changes Osborne has been forced to make by the failing economy. Some of the difference should be found from tax rises, so that the wealthiest really do make a fair contribution to reducing the deficit. But if Labour shows that it is serious about keeping spending under control, the markets will not be spooked by a modest nudge of the tiller on the course to balanced public finances.

### Fabian Society Commission on Future Spending Choices

Whichever political party wins the 2015 election, the next government will have to make tough choices on the economy and the prospect of further cuts will loom over any administration. The Fabian Society Commission on Future Spending Choices will make recommendations on how spending decisions can be made in a way that best safeguards prosperity, sustainability and social justice. Visit <http://www.fabians.org.uk/spendingchoices/> for more details



# Shortcuts



## JUST DESERTS

If Labour's one nation story avoids value judgements, it will fail to connect with vast swathes of public opinion—*Duncan O'Leary*

Since the downturn, Britain's welfare system has come under sustained pressure, not just from shrinking budgets but also a backlash in public opinion. 62 per cent of us now agree that benefits are too high and discourage work – up from 54 per cent immediately before the financial crisis (and more than double the figure from 20 years ago). Fashioning a response to this is one of the fundamental challenges for 'one nation' Labour.

Part of the answer is a robust response to ministers, and others, when their rhetoric loses touch with reality. One recent study found that 29 per cent of news stories about welfare refer to fraud, despite official estimates that fraud across all benefits is just 0.7 per cent. Likewise, ministers' use of poverty statistics has been inaccurate at best. Evidence of families suffering problems like low income, unemployment or poor housing has been used to imply 120,000 'chaotic families' characterised by crime, drugs and anti-social behaviour.

In fact, the majority of children in living in poverty in Britain have at least one parent in work – a problem caused by low wages and limited working hours, not social breakdown. New Demos research adds to the picture, finding that the biggest group of families in poverty are 'grafters': people who are either recently unemployed or stuck in low paid work. Their problems are economic rather than social.

One nation Labour is a powerful frame through which to challenge these narratives, with its concern to bring people together rather than sow seeds of mutual mistrust. However, getting the facts straight can only be one half of the story. The one nation idea must also become a policy

agenda capable of uniting people around a positive vision of Britain. That story cannot avoid value judgements. If it does, it will fail to connect with vast swathes of public opinion and do little to arrest the slide in support for the welfare state.

A look at the Fabian Society research on attitudes to inequality, undertaken shortly before the last election, helps explain why. The Fabian research found that around a fifth of people are 'traditional egalitarian', espousing a version of fairness based on meeting social needs. A similar proportion were categorised as 'traditional free market', believing that both rich and poor tend to get what they deserve through the job market. However, the majority sat in neither of these camps, holding a more complex view of fairness involving a combination of ideas about social need, moral desert and legal entitlement. One nation Labour needs to speak to this group in order to win the next election, let alone govern well.

This need not mean a move away from the founding principles of either the labour movement or the welfare state. The Beveridge model of social insurance was based on 'benefit in return for contributions', not simply meeting need. But today too many people find that years of contribution – through work or caring – count for little when they come to rely on the system. Many find the entitlements insultingly low, or worse, that they are ineligible due to rationing through means tests.

Under the present government the contributory principle is being diluted further, with the extension of means-testing in welfare (in particular for disabled people). One nation Labour should highlight the injustice of this and do whatever it can to reverse the changes in government. People must be reassured that Labour shares their frustrations not just with the idea of 'something for nothing' but also 'nothing for something' welfare.

In other areas Labour should not be afraid of engaging with questions of what people 'deserve'. Labour was founded on the idea that working people should not be exploited by their employers – an honest day's work deserves a decent day's pay. Ed Miliband's decision to champion the living wage should therefore be a fundamental part of the message that one nation Labour takes into the next election.



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On tax, the message should be the same. Labour should certainly not be relaxed about people being 'filthy rich' if they have done little to earn or deserve it. A one nation approach would distinguish between the wealth people have earned through working hard or starting a business and the wealth that is simply acquired when house prices rise. Rather than obsessing over the 50p tax rate, Labour should go into the next election promising tax reform instead and shift more of the burden of taxation from work and enterprise to land or property.

The nature of the current debate around welfare has made many on the left nervous about engaging with questions of what people do and do not deserve. It is understandable but it is also a mistake. Labour should be more confident in the British people's sense of fairness. If people are presented with facts that are clear, a vision that is consistent and policies that are thought-through, democratic deliberation can produce a society that is more equal and successful, not less. **F**

*Duncan O'Leary is deputy director of Demos*



## LAST RITES

Renewing British democracy will be necessary if we are really going to witness the death of neoliberalism—*Ben Jackson*

Over the last few years, commentators on the left have been very solicitous about the health of neoliberalism. When the state averted economic calamity in 2008, it seemed reasonable to conclude that the intellectual and economic foundations of financialised capitalism would subsequently look rather shaky. Perhaps, it was argued, the crisis would even lead to the death of neoliberalism itself, just as the economic turmoil of the 1970s had earlier dealt a deadly blow to post-war social democracy. Stewart Wood, one of Ed Miliband's key advisers, has been an influential exponent of this view. The financial crisis, Wood suggested in the 2011 *Fabian Review* Labour party conference special and elsewhere, revealed some unpalatable truths about the era of neoliberal policy-making that started with Thatcher: Labour's new agenda, Wood concluded, should therefore focus on developing an alternative to Britain's neoliberal political economy.

Other commentators have been less confident about the demise of neoliberalism. Colin Crouch's *The Strange Non-Death of Neoliberalism*, for example, was a sobering analysis of the plausibility of the sort of political project floated by Wood. Crouch argued that the practical upshot of neoliberalism was not fundamentally the creation of competitive markets but rather the enhancement of the power of large corporations and the global financial elite. Their great power, Crouch maintained, made it extremely difficult for states to depart from neoliberal orthodoxy and accounted for the continued rude health of neoliberal nostrums after the crash.

But what, actually, is neoliberalism? The term is over-used in political discourse and on the left has developed into an all-purpose term of abuse. But properly understood it refers to a distinctive set of ideas that have been highly influential in the construction of public policy over the last 30 years. At the heart of neoliberal ideology is the belief that

freedom and prosperity are best advanced by expanding the role of markets and are undermined by democratic collective action, especially by the state and trade unions. Neoliberals prefer what they regard as the pluralistic allocation of resources by markets to the uniformity and coercion inherent in the political allocation of resources through democratic votes. Neoliberals therefore diagnose the fundamental problem faced by contemporary societies as an excess of politics over economics.

The influence of these neoliberal ideas stems chiefly from the way in which they seem to fit with the lived experience of contemporary consumer capitalist societies. Wolfgang Streeck recently argued in *New Left Review* that the growing disenchantment with politics in advanced capitalist societies is closely linked to the ever-increasing capacity of its citizens to satisfy their personal preferences in private consumption. As capitalism has left behind the old Fordist model of standardised mass production, Streeck observes, it has used product diversification to activate and satisfy idiosyncratic consumer desires. In contrast, the realm of democratic politics, which is inevitably characterised by the aggregation of individual preferences into a collective choice and the provision of collective goods, resembles a form of Fordist mass production that appears to hinder rather than advance the individual's preferences. In this way, the social setting of advanced capitalist societies fosters an outlook that resembles neoliberalism: individual freedom is experienced in market choice, while democratic collective action seems to frustrate individual preferences.

**Neoliberals therefore diagnose the fundamental problem faced by contemporary societies as an excess of politics over economics**

Streeck and Crouch give us reasons to think that there is still life left in neoliberalism. But it is nonetheless curious to find intellectuals of the left such as Crouch and Streeck making points that could be construed as offering New Labour-style fatalism about globalisation and consumerism. Stewart Wood is surely right to point out that the financial crisis has opened up the political space to make meaningful changes to Britain's economic model that, insofar as they use democratic politics to correct for market failure, depart from neoliberalism. However, as Wood also observed, in this

battle for a better capitalism "the first and most urgent fight must be for the public's faith that politics, at its best, can be a force for improvement in their lives." If Streeck is right, then the character of contemporary capitalism makes this a hard fight to win. But his analysis also shows why new forms of democratic engagement should be an essential part of Labour's agenda, since it is only by reconnecting people's lives to politics that neoliberalism can be fully engaged. In spite of the difficulty of the task, renewing British democracy, as much as reforming Britain's economy, will be necessary if the last rites are to at last be administered to neoliberalism. **F**

*Ben Jackson is a lecturer in modern history at Oxford University and the editor of Renewal: A Journal of Social Democracy ([www.renewal.org.uk](http://www.renewal.org.uk))*



## YOU CAN'T ALWAYS GET WHAT YOU WANT

Political parties can achieve more working together than they can on their own—*Natalie Bennett*

I recently had a discussion with a group of politics students about proportional representation and whether it could be one obvious way to restore political engagement and political trust. When one student pointed out that the 1950s saw way higher turnout than we have today, I noted, in response, that there were really only two political parties at that time: Labour and the Conservatives, and that most people were tribally wedded to one or the other.

Today, the situation is very different. Fewer people tell pollsters that they're always going to vote for one party, and the 'others' section on opinion poll graphs just keeps growing.

Just as traditional ways of life have been broken down, so have traditional tribal affiliations. We're a more diverse people in every aspect of our lives, including politically. To my mind that's a very healthy thing – although I understand if those who still follow

the two parties that dominated the 20th century find it harder to swallow.

‘Coalition’ might be a word that has acquired an unfortunate connotation in the past two and a half years, but the odds of more of them in our future look to be high, even with first past the post.

**We’re comfortable with understanding that the way we’ll get to where we want will often be roundabout and will sometimes involve being prepared to step back and let another take the limelight**

The case of the Bristol mayoralty - where an independent was elected (in a region where, incidentally, there’s also a new independent police and crime commissioner) - is a demonstration both of voters’ new independent spirit, and the difficulties the largest parties can have in dealing with it. Local Labour councillors were keen to join the independent mayor’s rainbow cabinet, but this was ruled out by the national executive committee (NEC). A Green councillor, Gus Hoyt, is by contrast in the cabinet, and this isn’t just a reflection of a far more decentralised, democratic party: it’s also a reflection of how we look at power-sharing, at influence and at effectiveness.

It’s not just Greens of course - Plaid Cymru and the SNP also look and sound far more comfortable in fluid situations that aren’t straight-up ‘here’s your mandate, single party, off you go’.

It’s been interesting how many journalists and voters have said to me, since Ed Miliband came out with his promotion of the living wage recently, ‘aren’t you upset about Labour stealing your policies?’ (Although he didn’t go nearly as far as we would have liked and call for the minimum wage to be a living wage.)

They’re invariably surprised my answer is ‘no’. We’re in politics to get what we regard as the right policies in place and we see the advance of this traditional Green party policy - as pushed particularly by Green London assembly members Jenny Jones and Darren Johnson - as a victory. We’re hoping for something similar on renationalising the railways.

This winter, the final struggles on a couple of key issues - most critically the energy bill and the groceries code adjudicator - are taking place in parliament, and Green MP Caroline Lucas has been working with any allies available - yes, even some Tories, and more than the odd Lib Dem, as well as on many issues with Labour MPs.

As the Green party, we’re seeking to grow our elected representation: in councils, in Brus-

sels and in Westminster. We are comfortable with the fact that we’ll be working in shifting, varied and flexible groups, both inside electoral politics, and outside it. Groups ranging from UKUncut to Occupy, trade unions to anti-cuts groups, Transitions Towns to the RSPB.

We know broadly what we’re going to bring to the table: we have to live within the limits of our one planet, and that we need to spread the wealth of Britain far more fairly, for all of our sakes.

But we’re comfortable with understanding that the way we’ll get to where we want will often be roundabout and will sometimes involve being prepared to step back and let another take the limelight. (I think of a Green group council leader in a Tory fiefdom who explained to me how he had to make sure ideas didn’t get labelled “Green” because then they’d never be implemented, no matter how cost-saving or obviously sensible.)

As well as Green policies, one of the things we bring to the table is that ‘you can’t always get what you want’, but you can get more than if you’d taken your bat and ball and gone home. Even more positively, we acknowledge that with consensus-driven, collaborative decision-making, you often get better results than when one group just ploughs off in its own direction. **F**

*Natalie Bennett is leader of the Green party of England and Wales*



## ENVIRONMENTAL OPPORTUNITIES

Both Labour and the Liberal Democrats must be clear how they would be greener than the coalition—*Duncan Brack*

The last few months have seen the Conservatives mount a systematic attempt to demolish the coalition’s commitment to a low-carbon energy future for the UK - in clear breach of the spirit, if not the letter, of the coalition programme agreed in 2010. In fact, thanks to Liberal Democrat ministers, the outcome of the latest struggle between

the coalition partners - the electricity market reform bill - is not at all bad, particularly in the level of financial support to be delivered to low-carbon technologies. But the absence of a decarbonisation target for the electricity sector will undermine the policy certainty that low-carbon investors require to sink the billions of pounds that are urgently needed in to UK energy infrastructure. As long as the Conservatives continue down the anti-renewables, pro-gas, anti-green-economy route clearly flagged up by George Osborne, a permanent threat exists to the UK low-carbon policy framework.

**The shape of a potential Tory message at the next election is clear. It can be countered, but its weaknesses need exposing, both now and during the 2015 election**

In purely political terms this is not entirely bad news for the Liberal Democrats - providing them with a very clear area of distinctiveness from their coalition partners - or for Labour, affording them yet another opportunity to attack the government. It is, however, seriously bad news for anyone concerned about the accelerating destabilisation of the global climate and the failure, so far, of governments to tackle it. The environmental consensus that had seemed to exist between 2008 and 2010, when all three major parties supported the Climate Change Act, and fought the election on fairly similar manifestos, has shattered.

Furthermore, Osborne’s message has some attraction to voters worried about the rising energy prices of today rather than the green jobs and climate impacts of tomorrow. We know that increased support for renewables will add costs to consumer bills. We think that an alternative strategy of reliance on gas could well add greater costs, given likely global demand, but we can’t absolutely prove it. We think that shale gas won’t offer a cheap or locally acceptable source, but we can’t absolutely prove that either. And we know that while, for most householders, insulation measures are far and away the best means to cut bills, the ‘green deal’ isn’t yet well known or firmly established.

The shape of a potential Tory message at the next election is clear. It can be countered, but its weaknesses need exposing, both now and during the 2015 election. That’s partly why a group of us in the Liberal Democrats will be publishing *The Green Book* in spring next year.

*The Green Book* will argue for low-carbon policy to >>>



>> be placed firmly at the heart of the 2015 Liberal Democrat manifesto, in terms of economic as much as environmental policy. Britain has real strengths in areas such as offshore wind, marine renewables, and green finance, and is well placed to benefit from rapidly expanding global markets in these sectors. *The Green Book* will set out ideas for the policies needed to support the development of these industries, covering energy and transport policy, innovation support, financing and investment, and taxation, among other things. We hope the book will trigger a debate about the future direction of the party – very different from that in *The Orange Book* of 2004 – as well as about the steps needed now, and in the near future, to build a successful low-carbon economy, helping the UK recover from recession and delivering jobs and prosperity in the future.

I hope Labour will adopt essentially the same approach, accepting and arguing for the short-term costs involved in supporting new technologies and investing in new infrastructure while, at the same time, ensuring that real help is available, mainly through insulation measures for households, especially those in fuel poverty.

I hope this for two main reasons. Firstly, because it would help marginalise the Tory anti-green position, putting it more clearly outside the political mainstream. Secondly, because it would help to create the ground for potential co-operation between Labour and the Liberal Democrats should the 2015 election result in a hung parliament once again, which is still a reasonably likely outcome, according to Peter Kellner of YouGov.

To achieve either objective (or both), the two parties have to provide a clear vision of what they would do differently from the coalition. For example, specifying the carbon intensity target they aim to implement for the electricity sector, explaining how the green investment bank can play a full part in building the green economy, and setting out a vision for the future of aviation policy, including the question of airport capacity. Attacking the Tories (or the government) is easy, but it isn't enough. We need to put the case for a modernised, successful – and low-carbon – economy. **F**

*Duncan Brack is a freelance environmental policy analyst. From 2010 to 2012 he was special adviser to the secretary of state for energy and climate change, Chris Huhne*



## POLITICS LOST

The answer to political disengagement is more politics

—Natascha Engel

The big story from the police and crime commissioner elections was low turnout. And it was the same in the three recent by-elections. It may be that a grey mid-November polling day is to blame, but it may be that voter apathy and political disengagement is winning the argument.

The last general election was won by no political party and so now we have a coalition of Tories and Liberal Democrats who say they have come together for the 'common good', which they are using as an excuse to bring in ideologically-motivated changes that no-one voted for. 'But,' they say, 'it's in the coalition agreement.' This does nothing to rebuild the trust lost between politicians and voters.

There have, however, been a couple of changes in parliament, which may at first sight seem technical, but have had a big impact on how accessible we have become to the people who have elected us. We exist, after all, in a heavily representative system where people get a say once every five years, now that we have fixed-term parliaments; there is no obligation on us to ask for their opinions in between.

First of all, the backbench business committee was created. This is a group of backbench MPs elected by their peers to decide on how 35 days of every parliamentary year should be used. I am the committee's first chair and we decided early on that we would be responsive only to matters brought to us by backbenchers rather than choose them ourselves. As a result we have scheduled debates on various issues, including: holding an EU referendum, banning wild animals in circuses, providing compensation for victims of contaminated blood and calling for action on loan sharks and pay-day loan companies. In short, issues that are raised in pubs, clubs and surgeries around the country, but which governments and

oppositions tend to give a wide berth.

In one blow, parliament has become more responsive and is raising issues that the people we represent care about.

As well as this, we now have an e-petition system. It is imperfect at the moment, raising expectations which often cannot be met, but it is a step in the right direction. Any e-petition that reaches the 100,000-signature threshold is brought before the backbench business committee and all have, so far, gained a hearing in parliament. These have included recent debates on fuel and beer duty and stopping the badger cull. In each of these debates the viewing figures on the parliament channel have been unprecedented because finally we are discussing things that people care about.

This really matters. For too long we have been giving people a phoney choice between three political parties who all want to occupy the political centre ground. It makes us all look the same, on issues which aren't major concerns for people, anyway. But as soon as it comes to an issue on which the public would like their say, like a referendum on the EU, there is silence in the manifestos of the political parties. It is an issue that is too problematic for parties to deal with, so they don't, but it leaves an electorate feeling that politicians can't be trusted.

At the same time, people often say that they wish politicians would stop arguing amongst themselves and get round a table to do what is best for the country. This would make things even worse: politicians deciding amongst themselves what is best for everyone without even giving people a choice. That is exactly what has led to the political disenchantment which, in turn, has led to the low turnouts we are seeing today.

The answer is more politics, not less. More ideology, not shying away from it. Big ideas rather than tinkering changes. But most of all, giving people a genuine choice, something to argue for or against, and politicians who can defend their points of view. If we achieve that, we will see turnouts rise and politics matter again, because how much you pay for petrol and beer matters. And that's a matter of politics. **F**

*Natascha Engel is MP for North East Derbyshire and chair of the backbench business committee*





## WHY THE UNION MATTERS

In a world of growing economic insecurity, a common political and fiscal platform gives the people and nations of the UK the best chance to prosper – *Guy Lodge*

The phoney war over Scotland's constitutional future has finally ended. We now know that Scots will be asked to vote in 2014 on a straight 'yes or no' question about whether Scotland should become an independent country. As the real battle for Britain moves centre-stage, how should unionists respond?

Firstly, pro-union forces need to articulate a positive argument for why Scotland is better off in than out. This is so obvious it shouldn't need saying but so often those who wish to assert the case for keeping Britain together do so by pushing the politics of fear; or worse insinuating that Scotland is not up to going it alone.

Part of the challenge here is that while concerted efforts have been made to champion Scottish devolution, comparatively little effort has been made in recent years to promote a compelling case for the union itself. Paradoxically, the historic pattern of periodically remaking the case for union appears to have fallen into abeyance, right at the moment when the union is under most threat from the forces of nationalism. If the purpose of union in the 18th century was peace and security, the 19th century economic expansion through empire, the 20th century defeating Hitler and building a welfare state – what is its *raison d'être* in the 21st?

Oddly part of the answer can be found in the speeches of Alex Salmond. The SNP leader has very shrewdly made a big pitch for what he calls the 'social union'. For Salmond, the language of social union is a reassurance device: he's anxious to stress that under independence the deep social and cultural ties that exist between Scotland and England would continue to flourish. For similar reasons the SNP insist that an independent Scotland would retain a common head of state and a common currency.

But as the historian Colin Kidd argues, the pro-union sides – and Labour in particu-



lar – need to reclaim the idea of the social union for themselves, since there is a much stronger and attractive variant of it that can only be sustained through *political* union.

For a social union to be really meaningful, the people and nations of the UK need to be able to pool financial resources and risks across a larger and more resilient political community than that provided by the constituent nations alone. We know that economic shocks tend to be uneven, affecting individuals and regions in different ways and at different times. We also know that different parts of the country vary demographically, with some parts ageing more quickly than others, creating different pressures over time for public services. The alluring idea of union then is that if one part of the UK endures a period of economic or social hardship, it can be supported both by itself and by the other parts.

This can be seen, operating in both directions, in Scotland's history. Scotland has in recent decades benefited from relatively high levels of welfare spending from the UK purse. But, similarly, oil revenues from what would be Scottish waters contributed very substantially to that UK pool during the 1980s. In a world defined by growing economic insecurity, it is this version of the social union – one that shares a common political and fiscal platform – which gives the people and nations of the UK the best chance to prosper.

Such an account of social union is, however, perfectly compatible with further devolution – which brings in the second part of the unionist response.

In the run-up to 2014, unionists must be able to offer a package of enhanced powers for Scotland that provides voters with a clear alternative to independence. Why? This has nothing to do with making concessions to the SNP (as some mistakenly see it) and

everything to do with getting on the right side of Scottish public opinion, where a majority support strengthening the powers of their parliament. If unionism is to recapture the political initiative in Scotland it needs to once again champion the devolutionary agenda (a point recognised by Scottish Labour leader Johann Lamont with her decision to set up a commission to consider new powers).

Underpinning any moves on further devolution should be a very simple test: how can we meet the aspirations of the Scottish people and preserve the integrity of the UK? With this in mind it is possible to make a case for significantly boosting Scotland's income tax powers but it probably precludes devolving corporation tax, since this could lead to harmful beggar-my-neighbour tax competition between England and Scotland. Like-wise it might be sensible to devolve certain parts of the social security system but retain pensions as a UK-wide benefit, on the grounds that pensions are a sacrosanct manifestation of what it means to be a citizen of the UK.

Importantly, any reform package needs to consider the knock-on effects across the rest of the UK, and in particular the implications for England. There is convincing evidence that the English believe they are getting something of a raw deal from a union that they perceive is over-privileging the interests of the other nations. This suggests the need to reform the way public money is distributed across the UK so that it accords to a principle of need, and to tackle the perennially thorny West Lothian question. If English concerns are not addressed then the social union is diminished, and with it the fundamental case for a 21st century union. **F**

*Guy Lodge is an associate director at IPPR and the author (with Anthony Seldon) of Brown at 10*

# Green space

*Natan Doron* demonstrates how a green economic strategy could be an important part of Labour's journey back to power in 2015



*Natan Doron is senior researcher at the Fabian Society*

**C**RITICISM OF THE coalition's failure to be 'the greenest government ever' has gathered pace in the last few months. On the day that George Osborne spoke to the Conservative party conference in Birmingham this year, some of the biggest private sector investors in Britain wrote an open letter to the chancellor demanding greater commitment to a low-carbon economy. But Labour has been strangely reluctant to join the chorus of condemnation directed at the lack of green ambition in government.

One of the assumptions behind why Labour has so far failed to be the champion of the green economy in opposition is that voters no longer see the environment as a priority. But where is the evidence for such an assumption?

New YouGov polling by the Fabian Society and WWF shows that a majority of Labour and Liberal Democrat voters support shifting to a low-carbon economy, as do more Conservative voters than not. And support among swing voters – a group that's crucial to deciding the outcome of the next election – is even higher.

With Labour currently polling at 43 per cent (14 per cent up on its 2010 vote share), this new data shows that the majority of those who make up the extra 14 per cent are in favour of investment in the green economy. Only 28 per cent of 'Labour possibles' (those who did not vote Labour in 2010 but are thinking about it now) agree that 'protecting the environment is fine in the good times, but we can't afford it while the economy is struggling'.

Labour's opportunity should sound a clear warning to the Conservative party. There was a time just after David Cameron took over its leadership that the Conservatives

could have rivalled Labour as the major party best placed to pursue a green agenda. It would appear now that Cameron is not strong enough to lead the Conservative party into this space against the will of his right flank. And, as this polling demonstrates, the voters that the Conservatives need to win over to improve on their 2010 election showing are far more supportive of the transition to a low-carbon economy than George Osborne is.

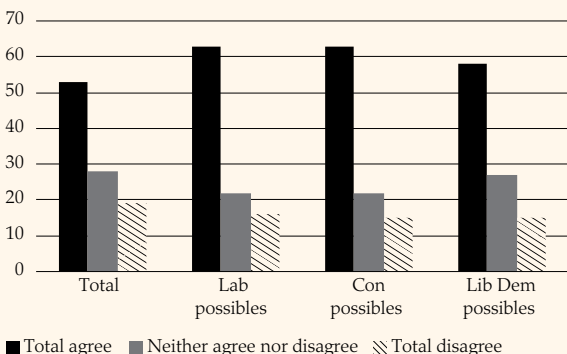
But it's not all good news for green advocates. While headline support for investment in the low-carbon economy is strong, when we dig into the detail of our survey a more mixed picture emerges. Firstly, a modest 47 per cent of people thought that Britain's investment in a low-carbon economy should aim to see it become a world leader in the field, exporting to other countries. 39 per cent, however, thought that Britain should do no more than other countries as it risked putting itself at a disadvantage by being too ambitious on the green economy.

Secondly, what about the effects of climate change? Do people think that we are seeing them now?

The main answer was that people didn't really know. While only 15 per cent adopted an explicitly sceptical position, the most popular answer was that people didn't think they could say whether or not we are currently seeing the effects of man-made climate change. This reluctance to link extreme weather events with climate change came despite the survey being carried out on the weekend of intense flooding across the UK and just weeks after super-storm Sandy brought New York to a standstill.

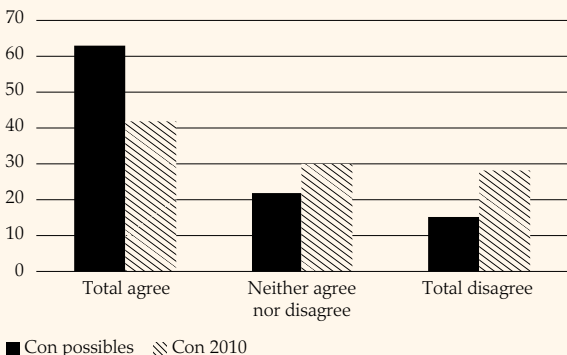
### Voters support low-carbon economy – especially swing voters

Climate change is both our biggest threat and greatest opportunity – going green, for example by becoming a world leader in low-carbon technology, would not only save the planet but would create jobs



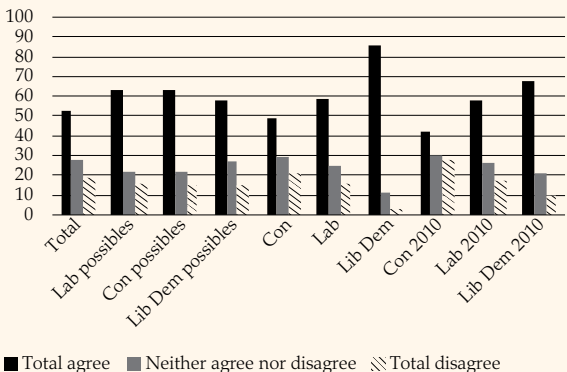
### The Tory swing vote is greener than the Tory core vote

Climate change is both our biggest threat and greatest opportunity – going green, for example by becoming a world leader in low-carbon technology, would not only save the planet but would create jobs

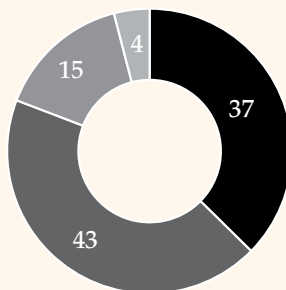
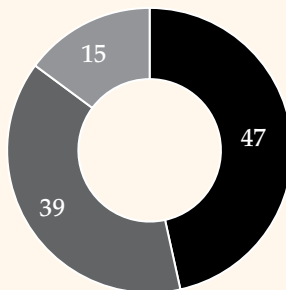


### Climate change is both our biggest threat and greatest opportunity

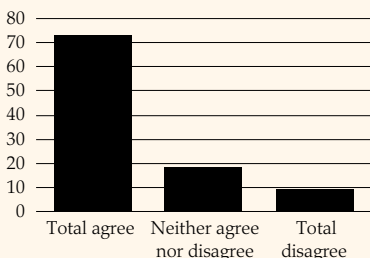
% agreeing with statement 'Climate change is both our biggest threat and greatest opportunity – going green, for example by becoming a world leader in low-carbon technology, would not only save the planet but would create jobs'



All figures are from YouGov Plc. Total sample size was 1,624 adults. Fieldwork was undertaken between 25th–26th November 2012. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+). All figures here exclude those who answered 'don't know'. For full polling visit [www.fabians.org.uk](http://www.fabians.org.uk)

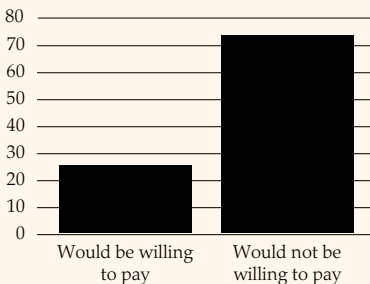


### People think we should protect the planet for future generations...



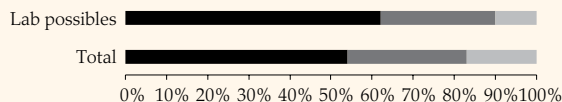
% agreeing or disagreeing with 'The way we live now is damaging the planet. We have a duty to protect the environment for our children and future generations'

### ...but are less keen on paying for it



% responses to the question: "Would you be willing to pay higher energy prices if it helped the UK meet its climate change targets?"

### The recession is an opportunity not a blocker



- We can save the planet and the economy both at the same time by investing in 'green technologies'
- Protecting the environment is fine in the good times, but we can't afford it while the economy is struggling
- Neither

Thirdly, when we asked people how they would feel towards a party proposing to scale back the UK's ambition to tackling climate change, 32 per cent expressing a preference said they would feel positive. A slightly larger number (36 per cent) said they would feel negative towards a party seeking to scale back ambition on tackling climate change. For Labour possibles, the number saying that they would feel negative towards this is higher, at 42 per cent. This suggests that Labour takes an electoral risk by sticking too closely to the coalition's lowly environmental ambitions. A high number of people answered they would feel neither more negatively nor positively (over 30 per cent), which indicates the extent to which attitudes towards the environment are not fixed and are fluid and open to influence.

There is encouraging news to be found in our polling about the extent to which there is public permission to make tackling climate change an economic as well as ecological priority. But as we have seen, uncertainty and caution characterise attitudes to three related issues: leading the world on the low-carbon economy; whether climate change is happening now; and scaling back our ambition to tackle climate change. What this indicates is that we must better appreciate how to construct resonant arguments in favour of the low-carbon economy.

Research undertaken by the Fabian Society for the Joseph Rowntree Foundation in 2011 explored the extent to which the public politics of climate change could be reframed in terms of fairness and justice concerns. In this new poll we tested one of the central principles of justice behind acting on climate change: intergenerational justice.

Our poll found that 70 per cent of people agreed with the statement 'the way we live now is damaging the planet. We have a duty to protect the environment for our children and future generations'. This rose to 75 per cent amongst Labour possibles and 80 per cent for Conservative possibles.

Whilst intergenerational justice clearly appeals in principle, we tested support for it in practice and found a different picture. Only 21 per cent of people in our survey said they would be willing to pay higher energy bills to help meet UK climate change targets. Although this number rises to 35 per cent among those aged 18-34, we must recognise that agreeing with something in theory does not necessarily extend to being willing to do anything about it.

The lack of support for higher energy bills is of course tied up with the current (and increasingly toxic) politics of energy prices and companies. There is a clear warning here for Labour – in that the party must be careful not to overplay its hand in promising to deliver cheaper energy bills, which scientists and market analysts suggest is not possible: bills will rise in future whatever we do. If Labour's message on the environment is too narrowly focused around the level of energy bills, it may reinforce distrust in politicians when those increases continue.

Labour must also understand the difference between people liking the principle but rejecting the practice of intergenerational justice. Some of the things Labour proposes will be unpopular – it won't all be win-win. The job of the persuasive politician will be to illustrate with stories, well thought-out policy narratives and simple language how the principle can and must be put into practice, despite the risks and costs involved.

This means that while it will be tempting to almost exclusively attack the government on energy bills, there is also

a strong values case to be made for the things Labour wants to do when in government. This will be important as we move further into the second half of this parliament: opposition will have to make way for more proposition.

As Labour's policy review kicks into gear under Jon Crudas, there are bold and potentially popular options that could be explored for Labour's 2015 manifesto. It is here that Labour should look to break down the climate challenge into distinct policies that can be implemented with popular support. In our

poll, 70 per cent of those who expressed a preference said that they would feel positive towards a party proposing a crackdown on landlords that rent out poorly insulated properties that push up fuel bills.

78 per cent of those who answered said that they would feel positive towards a party proposing an energy-efficient house building programme to both improve our housing stock and bring fuel bills down. This will be encouraging to those in the Labour party who see a commitment to a massive house building programme over the next parliament as a key part of both the environmental and economic offer.

The affordability and feasibility of such schemes must be worked out in detail in the coming months, but this research suggests that they could prove popular ways to address both environmental and economic challenges.

The current landscape of electoral politics in the UK indicates that, to a large extent, the outcome of the 2015 election will be decided by the answer to two key questions. Firstly, can the UKIP poll surge make serious inroads into the Conservative vote share in key seats? Secondly, how successful will Labour be at sealing the deal with 'Ed's converts': those who have moved over to Labour since 2010, many of whom are former Lib Dem voters?

Not only does Labour have nothing to lose by making a low-carbon economy a central part of its 2015 manifesto, the views revealed in this research illustrate that it can be a key part of answering that second question and consolidating its current lead in the polls. For the Conservative party, as long as they continue to be dominated by their right flank, they take a great risk in alienating the swing voters who see hope, not fear, in the economic opportunity presented by a low-carbon economy. With business, charities and the public united behind the green economy – the political opportunity couldn't be clearer. **F**

**"Not only does Labour have nothing to lose by making a low-carbon economy a central part of its 2015 manifesto, the views revealed in this research illustrate that it can be a key part of consolidating its current lead in the polls"**



## The green mainstream

The idea of a green economy is no longer a product of the wishful-thinking left, says *Cathy Jamieson*

“If I become chancellor, the Treasury will become a green ally, not a foe.”

Warm words indeed from George Osborne in 2009, when he also said he wanted a Conservative treasury “to be in the lead of developing the low-carbon economy and financing a green recovery”.

Sadly, the actions of the coalition have been somewhat cooler. Far from David Cameron’s green promise, ministers have been locked in a fight over the place of renewables, making investors nervous and consumers angry at the lack of progress in taking on the big energy companies.

The lack of action is all the more astonishing in the context of current public opinion.

This latest polling confirms that the idea of a green economy that can help the planet while also creating jobs and boosting economic growth is no longer a fringe issue to be dismissed as fanciful, or a product of the wishful-thinking left.

Instead, it is an idea moving firmly into the mainstream of public debate.

As this polling shows, while people might be divided over the exact causes of climate change, they overwhelmingly believe that the way we live now is damaging the planet and that we have a duty to protect the environment for our children and future generations.

And while the public sees climate change as one of our biggest threats, many also recognise that we can do something about it.

The transition to a low-carbon economy is a huge opportunity for the UK, with the potential to be a major source of jobs and growth at a time when we need them more than ever.

Labour has long argued for this and Ed Miliband remains the only leader of a UK political party to support a commitment to decarbonising the power sector by 2030.

In his 2011 autumn statement, George Osborne boasted “I am the chancellor who funded the first ever green investment bank”.

But crucially, plans for this flagship policy



for the green economy – which Labour set out in government to create jobs and support growth, particularly when public money was in short supply – are in limbo as a result of the failure of the government to meet their borrowing targets and of their economic plan as a whole.

**Labour knows exactly what needs to be done and, as this polling shows, the majority of the public are behind us**

The green investment bank will now not have full borrowing powers until 2016 at the earliest, limiting the impact it could have on any strategy for growth.

On top of this, shambolic cuts to feed-in-tariffs, reductions in ‘warm front’ insulation grants, and failures in the government’s green deal (which it admits will reach only 3.6m homes out of the target of 14m by 2020), mean that jobs in the green economy are being lost and valuable chances to boost growth missed.

When Labour left office, the UK was a world leader in wind energy, and wind energy was the UK’s second largest source of renewable energy, with the capacity to power 3.3m homes.

However, uncertainty over government policy, with Tory backbenchers demanding support for onshore wind power be “dramatically cut”, and public disputes between the energy minister and the energy secretary, have seriously undermined investment.

And what, alongside missed opportunities to create jobs and growth, will the price of this failure be?

The sacked energy minister Charles Hendry has said that because of government rows on energy, there was a risk that energy bills would “go through the roof”.

He suggested consumers might bear a “totally unnecessary extra cost” of £1bn a year thanks to the rising cost of capital as political rows stoke uncertainty over government policy.

As the polling shows though, this is a hit consumers are simply unwilling to take – and nor should they.

It’s up to this government to prove it can stand up to powerful vested interests in the energy industry and reform the way our energy market works for the long-term, taking power away from the ‘big six’ energy companies and instead supporting the growth of smaller community and micro projects.

It’s clear that as a direct result of the coalition’s mixed messages and failing policies, the UK is falling behind on investment in green growth, with independent analysis showing that investment in renewable energy has fallen by half since this government came to power.

Jobs, growth and industry that should be coming to this country are now going overseas.

Only recently, the government confirmed its determination to scupper any drive towards a green economy when it published its much delayed energy bill with no clear targets to decarbonise the power sector and no clear strategy to ensure sustainability in the energy sector.

Labour, on the other hand, knows exactly what needs to be done and, as this polling shows, the majority of the public are behind us. It’s time the government came on board as well. **F**

*Cathy Jamieson is MP for Kilmarnock and Loudoun and shadow economic secretary to the Treasury*

## Vote red to go green?

The new Fabian and WWF polling shows the Conservatives are out of touch with the public on the environment. Labour should seize the opportunity argues *Keith Allott*

On the face of it, the politics of the environment has shifted markedly since 2006 when WWF took David Cameron – then leader of the opposition – on a trip to the Arctic to see the impacts of climate change. But new polling conducted by YouGov for the Fabian Society and WWF shows a large majority of the public still support the transition to a low-carbon economy as both an economic opportunity and an environmental necessity. Green has gone mainstream and across party boundaries. The British public favour parties who commit to protect the environment, so there is an opportunity for all parties. One electoral challenge for Labour is to appeal to those who voted Liberal Democrat or Conservative in 2010, many of whom are attracted by green issues and values.

‘Vote blue, go green’ was a bold theme in the Conservative party’s detoxification strategy in 2006. They chose the oak tree as their logo, and David Cameron famously ‘hugged a husky’ on the WWF trip to a glacier on Svalbard. Recognising that the issue transcends party politics, he called for a political consensus on climate change and went on to play a central role in passing the Climate Change Act in 2008.

His shadow chancellor George Osborne promised in November 2009 to be a “green ally” and in 2010 the coalition agreement retained environmental commitments, scrapped the third runway at Heathrow, banned new unabated coal-fired power stations and the new prime minister pledged that the coalition would be the ‘greenest government ever’.

But the political climate changes fast. Austerity and recession have tested Cameron’s promise not to “drop the environmental agenda in an economic downturn”. George Osborne told the Conservative party conference in 2011 that “we are not going to save the planet by putting our country out of business.” The mood in Westminster has soured.

However, the truth is that public opinion has not turned against the environment.



Our polling shows that only a minority of voters believe ‘protecting the environment is fine in the good times, but we can’t afford it while the economy is struggling.’ This pessimistic view is shared by fewer than four in 10 current Conservative voters, and only a quarter of Labour and Liberal Democrat voters. By contrast, Labour (60 per cent), Liberal Democrat (72 per cent) and nearly half of current Conservative voters (46 per cent) believe we can save the planet and the economy at the same time by investing in green technologies.

As a whole the electorate is more enthusiastic than the chancellor about the low-carbon economy, with a majority of current Labour (36 per cent to 51 per cent) and Liberal Democrat (17 per cent to 58 per cent) voters disagreeing with Osborne’s statement that the UK should ‘cut our carbon emissions no slower but also no faster than our fellow countries in Europe’. Only a sliver of hardcore Conservative voters back his view, and remarkably the same is true with wind farms. Osborne is playing to a narrow sectional interest on the right wing.

Has the chancellor’s move to reject the language of green growth created a political space Labour can exploit to win back voters who deserted them in 2010? The centre ground is plainly pro-environment. Our poll show that 57 per cent of the public would feel more positive towards a political party that adopted a policy of ensuring the majority of our electricity comes from renewable sources by 2030, compared to 10 per cent who would feel more negative. Support is even higher among those voters Labour will need in order to win a majority – 63 per cent in favour compared to 6 per cent against. Even among those who voted

Conservative in 2010 support is still more than two-to-one in favour (50 per cent to 18 per cent) of a 2030 renewable energy commitment.

With the publication of the energy bill, the political – and environmental – battle lines are being drawn for the next election. The coalition has struggled with the bitter split. This summer saw a groundswell of support from businesses and civil society for the energy bill to include a target for a virtually carbon-free electricity sector by 2030. Labour, Liberal Democrats and leading Conservative MPs – including energy select committee chair Tim Yeo and former energy minister Charles Hendry – support the target. But the chancellor and prime minister have so far refused to allow the target to be set during this parliament, although the coalition has compromised by tabling an amendment to the energy bill allowing a target to be set in 2016.

There are clearly some in the Conservative party who believe there is electoral advantage in badmouthing the environment and renewable energy. There are also some in the Labour party who would rather ignore environmental issues. How deep do Labour’s environmental roots go? Ed Miliband was on a high as the first secretary of state for energy and climate change, but how widely are his green instincts shared on the front bench, or at the grassroots? There is an open goal for Ed Balls to attack the chancellor on environmental issues. Our polling suggests there is also an open space for Labour to ‘vote red, go green’.

Politicians from any party who want to form the next government should recognise that support for environmental issues remains strong across the political spectrum, but especially among key swing voters. As David Cameron realised in 2008, parties seen as anti-environment rarely win elections. Ed Miliband and Ed Balls should realise this in 2013.

*Keith Allott is head of climate change at WWF-UK*

## A just transition

The costs of moving to a low-carbon economy must not fall on ordinary workers and their families, says *Frances O'Grady*



The Fabian/WWF polling shows that even in these difficult times most people accept that it's not only in our interests to create a low-carbon economy, but that we also have a real moral obligation to the generations yet to be born.

Yet despite public concern over the environment and the public's general desire to conserve power and prevent harmful emissions, the most pressing energy-related issue for the overwhelming majority of people is the size of their energy bills.

Hard-pressed families are experiencing a huge squeeze on their family budgets. They are understandably angry that they seem to be paying more and more for their energy just so that energy company profits and the pay packages of top directors can increase.

So while the majority of those questioned are not prepared to pay more for their gas and electricity to make a green economy possible, they are happy to see a windfall tax levied on the energy companies to bring the desired green economic shift several steps closer.

And just as the public is concerned about green issues and the future of the planet, so too are unions. Climate change is moving rapidly up our agenda. Apart from a desire to prevent further damage to the environment, unions can see that a green future means the potential to create thousands of new, highly-skilled jobs to work in the emerging renewable industries.

Unions know too that it would also be a chance for the UK to lead the world in the race to develop affordable low-carbon technologies. With 2.5 million people out of work and our economy in the doldrums, the attraction of this approach is obvious. On a daily basis unions are responding to environmental concerns by creating hundreds of green workplaces across the UK.

Workplaces burn a good deal of energy, they consume resources and generate significant amounts of waste. And that's before you include the many hundreds of

miles their employees or goods travel every year. But, as over a thousand green reps can testify, more discussions are now taking place with management over how each workplace can do its bit for the planet, as well as keep company costs down.

**Apart from a desire to prevent further damage to the environment, unions can see that a green future means the potential to create thousands of new, highly-skilled jobs to work in the emerging renewable industries**

Some green workplaces are delivering impressive results. At the Magor Brewery in south Wales, the union Unite has helped to create an energy-saving mindset amongst employees and the company's management. This has led to a 46 per cent cut in water usage and a 49 per cent drop in electricity usage – saving over £2m in the annual energy bill.

Unions are also campaigning for a just transition to the low-carbon future that we need. This huge shift will affect the thousands of union members currently working in our energy supply, manufacturing and transport sectors. Many of these industries are on the frontline

of industrial change, and none are more exposed than energy intensive industries like iron, steel, glass, ceramics and chemicals. These industries are vital in our quest to go green, for example producing steel for wind turbines and glass for double glazing. But as the UK goes green, these firms face a triple challenge of high energy costs, high carbon taxes and the need to reduce their carbon emissions significantly.

Coming up with such a just transition – which gives these industries the space they need to play a genuine role in the move to a green economy – is vital. Unions have been working closely with industry bodies to find a way to protect jobs by investing in new technologies like wind power or carbon capture and storage. This is important work, which this poll suggests is some way ahead of public opinion. It also suggests there is currently good, but not majority support, for the idea that it is in Britain's interests to lead the world in creating a low-carbon economy. The need to make the case for the economic benefits of such a shift could bring has never been greater.

And that's not all. The TUC is also involved in campaigns calling for the UK's green taxes (worth £4bn a year to the Treasury) to be invested in home insulation measures to tackle fuel poverty and rising energy costs. On green energy, we've joined forces with the renewables industry in support of an ambitious wind and solar power investment programme – another popular move with voters, according to the polling.

In the past, significant periods of economic restructuring have often happened in a chaotic fashion leaving ordinary workers, their families and communities to carry the cost of change. The TUC and unions are determined that this should not happen as we move towards a low-carbon economy.

*Frances O'Grady is general secretary designate of the TUC*



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# Green social democracy

Traditionally the left saw environmental protection as a luxury. But with the environmental crisis now best viewed as a crisis of capitalism, today's social democrats need to manage the environmental impacts of a system rapidly destroying its own foundations, argues *Michael Jacobs*



*Michael Jacobs is Visiting Professor in the Department of Politics at University College London and author of The Green Economy: Environment, Sustainable Development and the Politics of the Future (Pluto Press, 1991). He was a Special Adviser at the Treasury and No 10 from 2004–10 and is a former General Secretary of the Fabian Society.*



**W**E ARE LIVING through not one but two crises of capitalism. The first one – the economic crisis which has followed the financial crash of 2008 – everyone knows about. The second is less familiar. This is the crisis of the global environment.

Of course environmentalists have been warning of ‘environmental crisis’ for over 50 years, whether from the chemicalisation of food, air pollution, rainforest destruction or climate change. But I use the term in its original ‘Marxian’ sense. A crisis of capitalism occurs when the dynamics and forces of the system build up costs and risks to such an extent that they end up undermining themselves, creating a self-perpetuating spiral which can only be escaped through state intervention – by governments effectively saving capitalism from itself.

This is of course precisely what has happened in the economy since 2008. An unsustainable boom in lending and credit, driven by a huge expansion of the financial sector, led to an asset price bubble and subsequent collapse, followed by a retrenchment in spending, leading to loss of output and rising unemployment. The slump into which these events pushed the economy could only be escaped via massive state intervention – initially in bailing out the banks, and then in huge injections of demand, first fiscal (stimulus) then monetary (quantitative easing), a process which is still not complete in any of the major western economies.

This is a crisis of capitalism in the precise sense that capitalist dynamics undermined the system, almost bringing it down, and could not then correct themselves without assistance from the state.

The environmental crisis is now of the same kind. This is most obviously the case in respect of climate change. It is now clear that the global economy cannot continue to burn fossil fuels as its main source of energy: the carbon embodied in them, if released into the atmosphere, will cause changes to the climate not seen since the last ice age. As the World Bank warned recently, present emissions trends will lead to global warming of at least four degrees centigrade by the middle of the century, triggering “a cascade of cataclysmic changes”, including more frequent weather-related disasters, declining global food stocks and sea-level rise affecting hundreds of millions of people.<sup>1</sup> As the Stern Report showed, even leaving aside the human cost, the economic losses caused by such events would be equivalent in this century to the cost of the two world wars and Great Depression of the last.<sup>2</sup> In its continued investment in fossil fuels, capitalism is undermining itself.

But the crisis is wider than this. Figure 1 shows an index of the prices of 33 commodities, ranging from iron ore, copper and aluminium to soybeans, coffee and cotton, from 1900 to 2010. It shows a remarkable phenomenon. For a hundred years to just after 2000, commodity prices fell by on average 1.2 per cent per annum, amounting to an overall reduction over the century of 70 per cent. But in the last ten years that entire 100 year fall has been erased, by a surge in prices almost twice as great as that which occurred during the second world war. As Jeremy Grantham, the investment fund manager and philanthropist who compiled these figures, has put it, this is “the mother of all paradigm shifts”.<sup>3</sup>

Now look at Figure 2. It shows world food and energy prices over the last six years. In 2008 both spiked, then nosedived as the financial crisis took an axe to demand. But

since then, while global economic growth has recovered only slowly, food prices have risen back above their 2008 peak, and oil prices are today above \$100 a barrel. Why? Because supply cannot keep pace with demand. The environmental crisis now is not just one of excess pollution, but of inadequate supply of resources – the inability of the global environment under present economic conditions to provide enough energy, food and other commodities to meet demand at stable prices.

Of course, these rising prices are already bringing forward new supply – that’s a natural feedback mechanism. But in no field is new supply keeping pace with demand. And the cause is not difficult to find. With a sixth of the world’s people, China’s annual 7-8 per cent growth rates are sucking up unimaginably large quantities of resources. China consumes more than half of the entire world’s output of cement, and more than a third of its iron ore, steel, coal, lead, zinc, aluminium, copper, nickel and even pigs and eggs.<sup>4</sup> It simply is not possible for an economy so large to grow so fast without impacting on the global availability of resources – and of course on the carbon emissions and the habitat loss which also accompany the industrial engine. These price rises are already slowing China’s growth down, and in turn slowing the growth of the rest of the global economy.

In the past, environmental costs were largely imposed on the economic periphery – air pollution in poor urban areas, toxic waste dumps, the depletion of fish stocks and destruction of rainforests. No more. Now resource scarcity is affecting prices right at the heart of the global economy. For example, there is a remarkable correlation between energy price spikes and US recessions over the past forty years. With only one exception, a doubling of the oil price has always been associated with recession in the US, at the same time or soon after. And it’s not difficult to see why. Energy is a significant cost in all developed economies and a doubling in its price has a significant effect on both output and consumer spending. One of the reasons why economic recovery is so difficult today is precisely because of this under-noticed phenomenon: as soon as growth gets going again, scarcity-driven energy prices rise and choke it off.

In this sense, the environmental crisis must now – finally – be regarded not merely as a crisis of ecosystems, or of human values, but as a crisis of capitalism, in the sense that the dynamics of capitalist growth are now undermining themselves. As resource scarcities in energy, food, land, water, fisheries and commodities combine with the impacts of climate change, ocean acidification and habitat loss, the global economy is facing serious feedback costs which are already affecting, and will increasingly affect, its ability to continue growing. As a sobering report from the Stockholm Resilience Centre put it last year, we have entered a new phase of human history where we are approaching the biophysical “planetary boundaries” which provide a “safe operating space for humanity”.<sup>5</sup>

What does all this mean for the left? It means we have to enlarge our understanding of both capitalism and social democracy.

Modern social democracy came into being in the 20th century to manage a capitalism which was unable to manage itself. In the first half of the last century, western capitalist economies undermined their own processes of accu-

Figure 1: Commodity prices 1900–2010

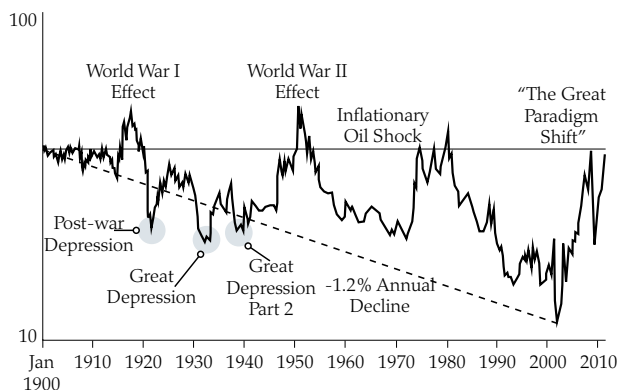
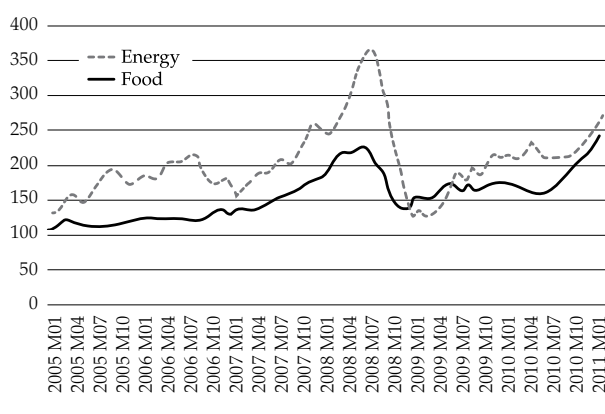


Figure 2: Food and energy prices 2005–2011



mulation and growth by their inability to provide proper welfare for their workers. Low incomes, poor housing, inadequate education and ill-health led to low labour productivity, and inadequate consumer demand for the products capitalism generated. When the financial crisis of 1929 hit, capitalism fell into a slump and could not get out of it without state support – in the US through Roosevelt’s New Deal, in Europe through rearmament and ultimately war. After 1945, social democrats (and in continental Europe, Christian ones) rescued this failing capitalist system from itself. They created welfare states, secondary and tertiary education and national health systems, which prevented absolute poverty and raised labour productivity. Strong trade unions raised labour’s share of national income, which in turn raised demand for consumer goods and services. Governments nationalised key industries to ensure investment in infrastructure, and used Keynesian fiscal and monetary policy to maintain full employment. At the same time social democrats set out to use the products of wealth creation to achieve their cherished social goals – a reduction in inequality, universal social security, comprehensive education and the promotion of arts and culture for all.

The parallels with today are evident. Once again it is only governments which can rescue capitalism from the slump into which it has fallen. But the traditional social democratic programme will now not be enough. Today we also need to manage the environmental impacts of a system rapidly destroying the foundations on which it rests.

That means regulating the resources and energy that flow through the economy so that they stay within sustainable bounds. We know how to do this. The price of carbon needs to be high enough to make the burning of the most polluting fuel – coal – unprofitable, and to drive investment in energy efficiency. So long as they remain more expensive than fossil fuels, renewable energy sources such as wind and solar need to be subsidised through price support such as ‘feed-in tariffs’. The variable generation from renewables needs to be backed up by nuclear or gas, eventually fitted with carbon capture and storage technology, and by interconnected ‘smart’ grids which ensure that electricity can flow from wherever it is being generated to wherever it is needed, with demand adjusted to supply. Fuel for transport needs gradually to shift from oil to a decarbonised electricity system. Meanwhile we need to use pricing, regulation, land use planning and public spending to stimulate investment in resource efficiency in every sector from agriculture and water to minerals and materials. Public support will be needed for research and development of new green technologies. We need to limit polluting wastes and restructure consumption patterns to stimulate re-use and recycling. We need to limit the harvesting of fisheries and forests to their long-term sustainable yields. Precious habitats must be protected by creating greater value from their conservation. In many of these areas we need to come to international agreements to ensure that some countries do not free ride on the efforts of others.

None of this is theory any more. In countries and industries across the world, the sustainable management of the earth’s resources is being practised. But it is not happening in enough countries, or enough industries, and with not enough urgency relative to the patterns of growth and resource use which are now leading us into crisis. So this is social democracy’s new task.

In the past this would not have been easy. Traditionally the left saw environmental protection as a luxury which could only be afforded once wealth had been generated. Environmental policies which imposed costs on industry risked damaging growth and destroying jobs. Environmentalism was a minority middle-class movement, with no economic interests underpinning its politics.

But that is no longer true. Today, the most powerful voices in favour of environmental protection are arguably not the traditional green NGOs – Friends of the Earth, Greenpeace and the like – but the major corporations in the rapidly growing green economy. Under the pressure of both resource scarcity and environmental policy, a whole new sector of industry has emerged over the last twenty years, and it is now one of the most important in almost every leading economy. Globally, the low carbon and environmental sector is worth £3.3 trillion, making it larger than the aerospace industry. Over the last few years, even after the crash, its annual growth rate has been over 3 per cent, and this is expected to remain or increase over the next decade. The UK’s share of this market is the sixth largest in the world, at nearly 4 per cent. Now worth over £120bn, the UK sector is itself growing at around 4 per cent per annum – one of the few major sectors currently doing so. It already sustains just under a million jobs.<sup>6</sup>

As this industrial sector has grown over recent years, it has changed the economic evidence and narrative around

environmental policy. No longer can such policy be said simply to be a drag on economic growth, imposing costs with no economic benefit. Now it is widely acknowledged that green policy can be a driver of growth. Energy and resource efficiency can cut costs, while environmental and green energy investment stimulates demand for new technologies and services, creating jobs and driving exports. It is no coincidence that over the last two years both the OECD and the World Bank have produced major reports demonstrating the underlying economic theory and practical evidence on the feasibility of 'green growth'. They have shown that, implemented well, environmental policy can impose short-term costs, but these costs are in reality investments in more productive capital – in natural resources, industry and infrastructure – and therefore lead to higher economic output over time.<sup>7</sup>

This change in the economics of environmental protection is of vital importance to social democrats. For it changes the politics.

When social democracy rescued 20th century capitalism from itself it did so through a powerful coalition of forces. At its base was the working class, organised through trade unions and social democratic and labour parties. But critical too was the support of a significant proportion of the business community, and the middle classes who worked in it. For enlightened businesses could see where their real interests lay – not in the 'free market' dogmas of those who purported to champion capitalism but whose laissez faire policies could not get the economy out of depression, but among those who wanted to use the state to stimulate demand and therefore to create the markets for business investment and output. The business class by no means universally supported social democratic parties and governments in the post-war period, but enough of them split apart from their ideologically backward-looking peers to create decisive support for the Keynesian programme and the creation of the welfare state. Yes, this involved giving a larger share of their profits to the workers and to the state in taxes; but the benefits in terms of the growth of demand for the goods and services they produced more than outweighed the cost.

Exactly the same phenomenon is happening now over environmental policy. The traditional business view can still be heard – such policy is bad for business, growth and jobs. But it is now matched by the voice of businesses who will benefit from it, and who understand that their self-interest is best served by an economy that is not fatally undermined by rising resource prices and the impacts of climate change. Thus, as the government prepared its energy bill this autumn, over 50 of Britain's largest businesses called on it to adopt a target for the decarbonisation of the power sector by 2030, followed by seven of the largest green manufacturers (including Siemens, Alstom and Mitsubishi) threatening to pull their investment from Britain if it did not do so. Remarkably, the CBI called for the same policy. Indeed its 2012 report, *The Colour of Growth* (which argued that that colour was green) was perhaps the decisive moment in this field.<sup>8</sup> Here was the voice of the British business community as a whole calling for stronger environmental policy, on the grounds that this would most benefit growth and jobs. The TUC, for its part, had already got there: it published its first report outlining the employment benefits of the low carbon economy in 2009.<sup>9</sup>

So just as social democrats in the 20th century forged a cross-class, cross-industry coalition in favour of the welfare state, so social democrats today need to forge a comparable alliance in favour of the environmentally-based economy. Green politics is no longer simply about a middle class environmental movement. That is a vital constituency – four million members of the National Trust, and nearly a million members of local wildlife groups shows that the values of environmental stewardship form a powerful counterweight to those of consumerist materialism – but it is now joined by powerful economic interests.

Towards the end of the last government, it looked as if the Labour party had begun to understand some of this. Its pioneering 2008 Climate Change Act set environmental (carbon) limits, and required by law that the economy live within them. It created a national economic strategy, the low carbon transition plan, which in turn led to the development of a low carbon industrial strategy and the invention of the Green Investment Bank. It joined with its partners in the EU to develop a low carbon European economy through the 2020 package of emissions targets, carbon pricing and renewable energy.

In its policy review today the party needs to develop this further. It faces a particular challenge to redefine the role of the state. A green social democracy will require smarter and more active economic government. It will need to use a variety of interventions – the tax system, regulation, industrial policy and public investment – to help steer the economy onto a more sustainable path. It will have to work not only at the national and local levels, but internationally. The European Union will be a critical part of this transition, to make the world's biggest single market a driver for global environmental standards. A green social democratic state will have to forge an active equality policy, so that environmental costs do not fall most heavily on the poor. And it will have to find new ways of creating public consensus, so that the implicit contract between present and future generations is understood and can be sustained.

None of this will be easy. It will require radical thinking in opposition, and determination in government. But that is precisely how social democrats built the welfare state economy in the 20th century. We will have to do it again for the green economy of the 21st. ■

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# Who we are is about where we live

The foundation of one nation Labour is the place we live, the land upon which we depend, and the climate that surrounds us all, argues *Ruth Davis*



*Ruth Davis is political adviser  
to Greenpeace UK*

**T**HE SURPRISING JOY of Ed Milliband's party conference coinage of 'one nation' Labour is that it invokes and requires a number of concrete choices about how we govern ourselves. It is a genuine political intervention and requires a considered political response. Happily, these choices – about national identity, the politics of the common good and the value of work – also speak directly to a new politics of the environment that is founded in place, is democratic, and identifies decently paid work as central to tackling global threats to our collective security and well-being.

One nation Labour requires us to engage actively with the idea of nationhood. A rediscovered and more authentic patriotism already plays a central role in the new democratic politics of the left. However, contemporary discussion of this issue often neglects one element of national identity that is less assuming, but also more profound and less divisive, than the contested symbolism of flags, or the dubious merits of citizenship tests: that is, that nations have their roots in places.

A nation emerges where a people come together on a particular piece of land, to make use of that land's special qualities, and to protect those qualities for the benefit of their children. Tales of identity, modern and ancient, are for this reason inextricably linked to place; and are represented as much by the absolute Sheffieldness of the Arctic Monkeys, as the Dorsetness of Hardy or the Lake Districtness of Wordsworth. Who we are is about where we live.

Place is central to identity; and hence, protecting the places we love from appropriation or short-sighted damage for private profit is at the heart of popular environmentalism. The iconic battle over the proposed privatisation of the nation's woodlands illustrates the point perfectly.

But our sense of place is about more than just a conceptual or emotional sense of nationhood; it is also about a wider politics of the common good. This is because communities that care for the young and the old, and that have sufficient energy to shape local public life (including public services) exist where people are able to settle in one place long enough to create trusting relationships. These



relationships with neighbours, teachers, doctors, shopkeepers, lollipop ladies and postmen *are* the community. They are what enable us to invest in making the place we live in together, better.

This means, of course, that communities are also central to how we care for our environment. It is communities with an investment in place who will battle to get cars out of their streets so their children can play safely, who will band together to clean up their local park, and will get to know, protect and love their local woodland, and the wildlife it supports.

For these reasons, both the Labour party and the environment movement should take a passionate interest in policies that allow people to work where they live, and to live in the places where they have family, friends, and local attachments. A living wage, an active industrial policy, a strategy for securing local capital for local businesses, and affordable housing are essential components of such a plan.

But focusing on the trinity of community, place and identity, might also enable us to come to terms with one of the other great wounds in British society: the bitter divide between our cities and our countryside.

It is a huge pity that the last Labour government's record in office will be remembered by so many people in rural England for the ban on foxhunting. Regardless of rights or wrongs, having this particular fight was an unhappy way to begin a relationship, because it eroded trust, and provided a welcome distraction for those who benefit from an egregious social and environmental settlement in the countryside. Worst of all, it left little political space for Labour to propose an alternative rural politics of the common good.

The problems of rural Britain are deep-seated. Bankruptcy and suicide are common among small farmers. Wages for agricultural labourers are low, the use of illegal labour is rife, and many people cannot afford local housing. Alongside these social miseries, the rural environment has been steadily deteriorating. Agricultural pollution of water costs billions every year to clean up. There has been an unprecedented decline in farmland wildlife. Soils are degraded. Pesticide use has decimated populations of the pollinating insects that sustain productivity.

A refreshed Labour party could start to address the state of rural Britain, by recognising that it was created by a system of monolithic European welfare payments (the common agricultural policy (CAP)), combined with the worst elements of laissez-faire market capitalism. The CAP does little to reward farmers for public goods, but instead hands out support payments based on historical production levels – including millions annually to the country's wealthiest land-owners. Yet ironically, many smaller farmers still cannot command a viable price for their goods, and are squeezed between competition from cheap imports and the buying power of the supermarkets.

One nation Labour could immediately tackle these issues by limiting the subsidy available to any individual farmer, but also by linking a policy for a living wage with one for good, affordable food. A living wage for a farmer requires a decent price for food. A living wage for the rest of us means that we can afford to buy such food in our local shops and supermarkets. And to anyone with a clear-sighted view of our national interest, good food must be produced in ways that protect our critical national assets:

including our water, air and land, and the natural (living) systems upon which we all depend.

A one nation Labour party worth its salt would take this battle into Europe. And it is in how we conduct our relationships with countries beyond our borders that another potential bond exists between Ed Milliband's Labour party and the environment movement.

A discussion of nationhood requires a specific view of how we should engage with the outside world to secure our national interests. Because whilst an active industrial (and indeed agricultural) policy, combined with a living wage, might help to create a more resilient economy at home, this will not be enough on its own to deal with the systemic risks posed by an unstable financial system, a dwindling global resource base and an increasingly unstable climate. These risks can only be addressed through regional and global co-operation. They require us to believe that we have something to give and gain in Europe, and that the United Nations, for example, is exactly that – a place where individual, sovereign nations unite to face common problems. The alternative – a kind of feral isolationism, combined with a refusal to countenance any regulation of global capital – is a travesty of the national interest, whether or not it comes with a union jack badge.

Countries with a confident sense of national identity and a common sense of purpose turn outwards, not inwards; believing that they can ride and shape whatever new circumstances the outside world brings along. And it is in this spirit that we need to approach the problem of climate change.

Scientists, security experts, business leaders, energy analysts, doctors and faith leaders are united in recognising that the pollution of our atmosphere represents a grave threat to our future. This is not a matter of guilt, cost and recrimination; it is an emergency to which we must respond with common purpose, to protect the common good. We must embrace the opportunity that building a new energy system gives us to renew our economy, and to build new trading partnerships with the developing world. We must re-imagine the challenge as one that requires work, in the very best sense of the word; the work of inventing, designing and building new technologies, here in Britain; and the work of co-operating internationally to create stable markets for those technologies, and common rules that foster useful trade.

For as long as I can remember, political parties have treated the environment as something to be managed, coming up with 'green' policies that could be picked up or dropped according to expediency. And the environment movement in turn has spent its time lobbying, begging for a regulation here, a support measure there – rather than engaging with how to organise our economy and articulate our wider national interest.

A creative relationship with one nation Labour should mark an end to this era of managerialism and lobbying. If the environment movement wishes to renew its legitimacy, it must speak out when the Labour party is debating its support for a new industrial policy, a living wage and affordable food. And if the Labour party truly wishes to protect the common good of the nation, it must recognise that the very foundation of that common good is the place where we live, the land upon which we depend, and the climate that surrounds us all. **F**

# Family values

New Fabian Society executive member Rachel Reeves has quickly garnered a reputation as a rising star since her election to parliament in 2010. With government cuts hitting women the hardest, Mary Riddell finds the shadow chief secretary to the Treasury's response to 'Osbornomics' deeply rooted in her family background



*Mary Riddell is a columnist for the Daily Telegraph*

**O**N ARRIVING AT hospital for her 12-week pregnancy scan, the shadow chief secretary to the Treasury checked in at reception. "The lady behind the counter wanted to know if I was Rachel Reeves, the MP. Then she asked if I could help with a problem she was having with the council over the trees in her back garden. I'm not sure if anything similar will happen when I'm in labour."

However obliging she may be to her constituents, Reeves is a formidable political opponent. A former Bank of England economist and a steely operator in Labour's Treasury team, she is increasingly tipped as a future leader of the party. In more personal terms, she is also a trail-blazer. Her daughter, due in March, will be the first baby ever born to a serving member of a shadow or a government Cabinet.

"I got married last year [to the Cabinet Office civil servant, Nick Joicey]. We wanted to have a family, and it all worked out. It's been really exciting for my husband and me, but I've been quite surprised – no, gladdened – by the number of people from all parties who have said how fantastic they think it is that a politician with a high profile is going to have a baby. I'll have to show, as Yvette [Cooper] has done, that I can juggle both things, but it's also inevitably going to give me an insight into the challenges that working parents face."

We meet on the eve of the chancellor's autumn statement, and Reeves is rehearsing her attack. She is scathing about George Osborne's failure to reach his targets of reducing debt as a share of GDP by 2015 and getting rid of the structural debt in this parliament; an aim she likens to "always saying you are going to give up smoking in five years' time and never actually doing it – so your [goal] is always five years away."

Recent financial statements have gone well for Reeves, with her boss, Ed Balls, demolishing the chancellor's record on the basis of their back of the envelope calculations while he was delivering his speeches. A picture of Reeves and the two Eds munching taxable pasties offers an epitaph to the Budget of 2012. "Greggs in Redditch: I'm not sure if that photo was my finest or least fine hour," she says.

By the time we speak again, a few days later, Labour expectations that the autumn statement would prove to be Osborne's own worst hour have evaporated. With the press inclined to the view that the chancellor played a dire hand adroitly, Labour was instantly reported to be "on the rack" over whether it would back a welfare uprating bill, limiting increases in benefits to one per cent for the next three years.

While Balls initially refused to say whether Labour would vote for the measure, Reeves's first reaction sounds more dismissive. "We want to see it before we decide," she says, before adding: "The tests are whether it increases child poverty and whether it's fair. Unless they put in provisions to protect [the least well-off], I don't see how it will pass those tests. It looks as if the main losers will be low income people in work, and that feels really unfair. I wonder if Osborne was as clever as everybody said on the day. It's not clever to make people in work poorer. They are the ones who are being clobbered."

In the immediate aftermath of the statement, the chief clobbering was delivered to Ed Balls, whose unusually hesitant performance earned him the criticism of pundits claiming that his response reflected a deeper Labour malaise. He ascribed his stumbling to his stammer; Reeves, the loyal lieutenant, blames the chancellor's selectivity.

"It's incredibly hard to respond to a statement without all the details. We were sitting there, me and Ed, with the [old] borrowing numbers from the budget. We had a calculation to do, but the chancellor didn't read out the [new] numbers, and it was incredibly hard to work out what the finances looked like. We were thrown by that, and it made our immediate response very difficult."

She denies that the moment marked a chance for the government to regain the upper hand. "In terms of what matters, it's how people feel and the impact the policies have on them." Women may be the least impressed, especially with the so-called "mummy tax" chipping away at maternity allowance and pay. "Those have been hard won. I don't know

if maternity benefits have ever fallen in real terms. Women have been hit four times as hard as men. Given that men own more and earn more, it does seem particularly galling."

From March onwards (she plans to work almost until the birth), others will have to make that case in her absence. "Ed M and Ed B are really excited and pleased for me. When I told them in October, they both had advice and top tips for me (she declines to say what these might be), and they were keen to give me as much flexibility as possible in terms of taking maternity leave but also in ensuring that I can keep engaged with what's happening here.

"I'll be off over the summer recess and come back in early September when parliament returns. Everyone gives you advice – because I've never been through it before, I'll have to judge it for myself. But that's my plan – to come back full-time and get stuck in again." Her childcare, she has decided, will be split between the Commons nursery during the day and "then support from a childminder or whatever at home."

On weekends in her constituency of Leeds West, she and her husband plan to look after the baby between them. "I've got an auntie who will help out in London, and my mum will hopefully help as well because she works part-time. I'm incredibly lucky to have supportive bosses. I think Yvette probably came upon more barriers, and Harriet

Harman even more. Those women who have gone before me have made it easier. Hopefully it will be even easier for the next generation of women."

Reeves seems extraordinarily deft at combining the roles of forensic economist and excited mother-to-be. She moves easily from discussing the big economic questions facing Britain to "the big decisions to be made about what sort of buggy to get and all the rest of it. It's lovely. My mum's being really helpful and

wants to go to the shops to help me choose a cot. All that brings you down to earth. I've always tried to have balance in my life."

Reeves, who comes from a relatively humble background, went to a south London comprehensive, where she excelled at maths and became the British under-14 girls chess champion. Her political interest began at roughly the same time, when her father pointed at Neil Kinnock on the television and told her: "That's who we vote for." Reeves went on to read PPE at Oxford and spent 10 years as an economist for the Bank of England, HBOS and the British embassy in Washington before being elected in 2010. Despite her rapid rise, she remains resolutely rooted in her new constituency and old community.

Christmas, for example, will be spent "at my mum's house in Sydenham, south London, with my sister, Ellie, and her husband [the Labour MP, John Cryer]. There's a little restaurant at the end of my mum's road that she goes to every Friday. There'll be party hats and a keyboard synthesiser thing that the owner plays."

While her interests are wide-ranging (she was talking about pre-distribution well before Ed Miliband), family has shaped her politics. As well as stressing the need for better childcare, she has also spoken often about the social care crisis facing the elderly. Both her maternal grandparents have dementia, and for the first time she describes the plight they and their family have endured as "awful. My grandma's been in a home for around four years and granddad for a similar

**"I wonder if Osborne was as clever as everybody said on the day. It's not clever to make people in work poorer. They are the ones who are being clobbered."**

length of time. They're now in the same care home, but for a while they were separated [on the grounds that] they had different needs.

"We had one of them in Sydenham and the other in Sidcup, and they barely met. Now they don't really know who the other one is, but at least they are in the same home, where they can see one another and the rest of the family can see them together rather than splitting our time between two homes. Part of the reason my mum works part-time now is that it was impossible for her to do all the negotiations with the health service, the local authorities and the care homes and actually to see her parents.

"This system needs to be sorted out. One of my grandparents is funded and the other one isn't because of a technicality over whether it's a health need or a social need. That means we've already sold the house where they brought up their five children, and the resources are being run down.

"You can argue about whether that's fair or not. They've got the assets, they can afford decent care because they had a house to sell, but it's not fair that just because you have deterioration in your mental health, you lose all of what you've worked and saved for. It's only a modest house in a south-east London suburb but [seeing it go] has been really difficult for all the family."

Although Reeves does not sound hopeful of cross-party consensus, there is talk of Andrew Dilnot's report on social care funding being revived in the coalition mid-term review in January, possibly with a £75,000 cap on what the individual must pay, as opposed to the £25,000 to £50,000 that Dilnot recommended. "If there's any kind of cap, it would be better than the situation you've got now."

Though she supports the initial proposals, she warns that "Dilnot is only a start." As well as the cuts to local authority funding, she cites low pay and skills. "You've got people who are 100 per cent committed. But when you can earn more stacking shelves in a supermarket than caring for some of the most vulnerable people in society, then it's hardly surprising that you don't get quality or consistency of care." Childcare, she says, is beset by the same problems. "My cousin has a teaching qualification but she's working in a nursery, and the pay is appalling."

As an early Ed Miliband adopter, who supported him as leader and is now his reviewer of public service efficiency and value, she also demonstrates unswerving loyalty to Ed Balls. Is she more naturally sympathetic to the Miliband idea that global capitalism must be entirely rebuilt or the Balls prescription of short-term Keynesian stimulus? "You've got to have both. The Keynesian analysis doesn't say all that needs to be said about the economy, such as how the proceeds of growth are distributed, but it's a bridge to the place you want to get to."

And what is her role if the two Eds disagree? "I haven't seen those disagreements," she says. Tactful as she may be, Reeves is also frank about the causes of recession, many incubated under Labour. "The economy wasn't well-balanced enough between north and south, manufacturing and financial services, between those at the top, the middle and the bottom – so the squeezed middle and the stagnation in living standards predates the crisis."

Does she think Labour will win in 2015? "I think we can. The next two and a half years will be full of risks and uncertainties, but I do think Ed's message of one nation...and protecting institutions like the NHS is resonating. But I certainly don't think the next election is in the bag."

What risks does she foresee? "It's really difficult in opposition to show that you can be the leader for the change people want to see. You don't get opportunities like the prime minister does to prove you are a statesman. It's very, very difficult. There is an incumbency factor that gives [the government] strength. It's a huge challenge to come back within a term when we were so roundly defeated in 2010."

If this sounds downbeat, then Reeves is doing her utmost to maximise Labour's chances. She is working on the upstream policies that, in Miliband's vision, are central to social democracy on a shoestring. Beside the living wage, pre-distribution measures include "more affordable social housing so there's less work to be done through housing benefit" and "decent" occupational pensions to cut the dependency on housing benefit. But, as she admits, there is no promised land in prospect. "We would have to make cuts – some of them very unpopular cuts [because we] recognise that we would have to be reducing the deficit as well."

Green energy, she says, will not only be central to Labour's rebuilding of the economy but also a potential vote winner among people concerned about energy bills and security. "If you make it relevant to people's lives, it's a big issue."

Although she remains a favourite as a future Labour leader, some are inevitably asking if having a baby will hamper her chances. "I don't think having a child should be a hindrance to anything," she says. "But that isn't where my aspirations are. My ambition is to get Ed M as PM and Ed B as chancellor, because that way I can start what I came into politics to do."

While she deplores the all-male nature of the government Treasury team, she has little sympathy for Louise Mensch, who resigned her Corby seat, saying that she needed to spend more time with her family in America. "I don't think her predicament is one that very many women face. For them, the question is – can I afford to go back to work because of the cost of childcare? Not can I live in two continents at once?"

Does Reeves think that other political high-fliers delay or even abandon having children because they worry about whether they can combine a family and their job? "It's certainly the case that women worry they're going to be held back in their career if they have children. I'll be 34 when I have my baby, and the last four years have been the most successful of my career. Objectively, it's an odd time. If you were a man you wouldn't be taking your career break right now. It is difficult. But you have to retain the talent of good people, even if they take a few months off. I hope men are also taking a more active role."

"I don't think it's going to hold me back, but you're always going to miss out on something. I'll miss the budget in 2013, but I expect there'll be a budget in 2014 to look forward to." While few might share her relish for the fiscal reckonings of the future, it seems certain that Rachel Reeves will be centre stage in many budgets to come. **F**

**"Green energy, she says, will not only be central to Labour's rebuilding of the economy but also a potential vote winner among people concerned about energy bills and security"**



# Policy pitch

## An idea whose time has come

Predistribution is about more than how to achieve progressive goals in a fiscal squeeze, writes

*David Pinto-Duschinsky*



them. Moreover, the income gap between higher and lower skilled workers has grown. For the 50 per cent of adults in the workforce without at least A-levels, social mobility has become more difficult and improvements in living standards in recent years have been driven primarily by increases in state support rather than through better jobs and rising wages.

Against the backdrop of this two-tier job market, some important progressive goals have become harder to achieve using redistribution alone. For instance, despite significant spending, the last Labour government was unable to meet its targets on reducing child poverty. In the face of labour market dynamics that leave many caught in a low skill, low pay trap, our efforts were akin to trying to push water uphill. All this suggests that an approach that complements redistribution by trying to ameliorate the underlying dynamic of the labour market would have been necessary regardless of the state of the public finances and the broader economy.

It also suggests that predistribution may require us to think quite radically not only about issues such as regulation and companies' obligations to their employees and customers, but also about the structure of the job market and indeed of the welfare state itself. Ed Miliband has already set out a bold and welcome course with recent proposals on the living wage. However, to maximise their impact on the underlying patterns of income and labour market disadvantage,

as well as to bolster the UK's international economic competitiveness, they will need to be allied with measures to bring about a transformation in the levels of skills both among people coming through school and those already in the workforce. This may require significant changes not only to our education system through measures such as the introduction of new vocational qualifications but also a thorough-going overhaul of the system of adult education and workplace training.

Labour in government will also need to help far more people get into work and will need to support those already in work to look for, train for and secure better employment, helping to reconstruct the job ladders and career paths from low wage work to decent employment. This means not only better provision of childcare but also potentially new institutions, such as an agency to aid job progression, as John Denham suggested a few years ago. And all of this may need to be underpinned by efforts to help companies, big and small, boost the supply of good jobs. Experience from the US suggests government will need to encourage firms to refocus their business models on high-quality competition as well as ensuring they train their employees and pay decent wages.

This requires a shift in the focus of the welfare state and how it operates: from providing basic support, particularly to those without jobs and income, to also providing help and guidance to those within work. It also, crucially, must build on trying to ensure a minimum standard of living by looking to actively support social mobility. It will require actors beyond government, in particular employers and unions, to play a significant role.

It also means some hard choices. While some elements of a predistribution approach can be achieved through regulation and legislation alone, others will require expenditure. Predistribution can help us achieve progressive goals despite the fiscal squeeze, but we must also be clear about our ambitions and priorities. ■

*David Pinto-Duschinsky was formerly a special adviser at the Treasury and Home Office. He writes in a personal capacity*

Ed Miliband's adoption of the 'one nation' mantle may come to be seen as a turning point in his tenure as Labour leader. But his speech on 'predistribution', given a few weeks before, may prove to be just as important in providing the intellectual foundations for the party's 2015 manifesto and its agenda for government.

Politically, it's easy to see why. One of the biggest challenges Labour faces in the run-up to the next election is to explain how progressive ends can be achieved in an era of shrinking budgets. Predistribution provides a potentially attractive answer. It suggests that we can promote fairness and support working people's living standards by ensuring that the market produces more equitable outcomes in the first place; with companies paying decent wages and charging fair prices, rather than by relying on the taxpayer to compensate those who lose out when they don't. Its focus on corporate responsibility chimes well with popular sentiment and creates difficult dividing lines for the government. Moreover, it allows Labour to use a language of aspiration and empowerment that goes with the grain of people's ambitions.

But predistribution provides more than just a political narrative or a way of helping the squeezed middle when money is tight. It offers a key part of a strategy for delivering progressive goals in an economy that has changed beyond recognition since the foundation of the welfare state. Over the last 30 years, the economy that the post-war welfare state was designed to complement – one characterised by full employment, stable, life-long jobs and the ready availability of decently paid work requiring few qualifications – has all but disappeared. As services have overtaken manufacturing as the foundation of growth, employment has become more volatile and precarious for all and much of the work open to those without university degrees has become more casual and lower paid.

Critically, in this new economy, many of the routes that working people used to work their way up in the job market have vanished as well. The jobs market has become 'hollowed out', split between more highly paid, higher skill jobs and lower paid, lower skill jobs, with few stepping stones between

# Books

## The wizard of austerity

The man behind the curtain of coalition cuts is still a mystery to the public writes *Claire French*

What kind of man is George Osborne? An elusive man working behind the Whitehall scenes. A quiet man who rarely appears on television interviews, whose name appears in print but still, is somewhat unknown.

Somehow, from his Treasury office, Osborne dwarfs his opponents while his coalition colleagues remain the face of austerity Britain.

What do we really know of the man whose mother, Felicity, volunteered for Amnesty International on Sundays and father Peter founded Osborne and Little Ltd in 1967?

Born Gideon Oliver Osborne at St Mary's hospital, Paddington, in May 1971, he was known fondly as Giddy to school friends at St Paul's independent school for boys in Barnes. While friends hung up posters of cultural icon David Bowie, young George had Winston Churchill on his bedroom wall.

Janan Ganesh's walk through Osborne's early life gives an insight into the making of the future Chancellor. At the age of 13, Gideon made his first political decision – to modernise his name.

"For almost as long as he could remember, he had grumbled to his parents about his name," Ganesh records. "Tired of fielding the grievance, Felicity finally suggested doing something about it. With a trip to a deed poll office, her first-born became George Gideon Oliver Osborne."

At St Paul's, Ganesh says rather than play sports at the school's Surrey pitches, Osborne preferred talking about politics – described by friends as "wholly unique".

"I get my exercise from typing and writing," he is said to have told his peers.

Before starting his degree at Oxford, where he would become a member of the infamous Bullingdon Club with Jo Johnson, younger brother of Boris and now Conservative member of parliament for Orpington, Osborne would travel with school friends to north Africa, through the Sahara desert and down to Johannesburg in a "spluttering" old Land Rover.

To fund his gap year trip, his first job was working as a data-entry clerk for the NHS in Kensal Rise, putting in details of people who had recently died. He also worked as a waiter and as an assistant at Selfridges and at Foyles independent bookstore in Charing Cross Road.

In the autumn he hung around with "punk Tories" – described as those from state school who preferred Thatcher



### George Osborne: The Austerity Chancellor

—Janan Ganesh

Biteback  
Publishing  
£20



*Claire French  
is a journalist  
working at a  
local newspaper  
in the south east  
of England*

to old Labour and distinctly different to his future employer, William Hague.

Unlike his shadow counterpart, Ed Balls, chief secretary to the Treasury, Danny Alexander, and the prime minister, David Cameron, Osborne read modern history at the University of Oxford and not politics, philosophy and economics (PPE).

Although seen as part of the Bullingdon boy cabinet elite, as Ganesh points out, Osborne's views and actions have not always been traditionally Tory. Although orchestrating one of the longest and toughest periods of austerity since the end of the second world war, Ganesh puts Osborne's liberal voting record, on issues such as gay adoption and retaining the current limit on abortion, down to his childhood upbringing in central London. So, too, does he suggest Osborne's record of hiring ethnic minority advisers on his upbringing in the capital.

One contemporary said Osborne "cut a more metropolitan figure" when he joined the party's Smith Square headquarters in the early 1990s.

Before his rapid ascent through frontline politics – a member of parliament himself by 29 and shadow chancellor at 34 – Osborne started out trying to make a name in the newspaper business. Falling short at the last hurdle of the Times' graduate recruitment scheme, a chance meeting with George Bridges from Conservative central office launched Osborne on a completely different path. Unlike Balls and Cameron, he went straight into party politics as a young man – however unlikely, given his apparent lack of interest in the Conservative party machine as a student.

Intriguingly, Osborne tried again to join the Times as a staffer; after being turned down once, he went to the newspaper for a second time before picking up a job with William Hague, then leader of the Tories. Despite the future chancellor's stark differences to Mr Hague, whose team Osborne joined in 1997, Ganesh's intricate research reveals a close personal relationship with Hague delivering a tribute to his old colleague and friend at Osborne's 40th birthday party in Dorneywood.

Having been Hague's chief of staff, Osborne was to be catapulted forward after David Cameron's takeover and modernisation of the party after being elected to parliament himself in 2001.

According to Ganesh's research, Osborne felt it was



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better to try to get to the position he yearned for – shadow chancellor – and to fail than “harbour eternal regret”.

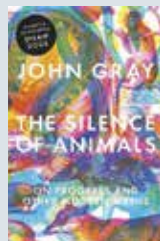
“On the morning of 10 May [2005], Osborne told [Michael] Howard that he would like to become shadow chancellor but was minded not to stand for the leadership,” he recalls. Michael Howard went on to confirm Osborne’s new position. One week later, he was standing at the dispatch box across from his “nemesis”, Gordon Brown.

For those interested in getting inside the head of George Osborne, to understand what has made him The Austerity Chancellor, the book puts you on the right path. Three interviews with Osborne and hours of conversations and hundreds of anecdotes later, Ganesh offers at least an insight behind the chancellor’s Notting Hill fascia.

The first sentence of this book asks whether George Osborne is old enough to have a biography written about him. Knowing the background of the chancellor, looking into his past, makes you wonder: what does George Osborne think of his own austerity measures? The man who has chosen to mix with the common people (albeit Oxford’s common people), with a voting and employment record that stands up for minorities – is he satisfied with the way his history is being written? Perhaps, in time, a sequel will be released to answer that all-important question.

## FABIAN QUIZ

ANSWERS MUST BE RECEIVED NO LATER THAN  
FRIDAY 1ST MARCH 2013



### THE SILENCE OF ANIMALS: ON PROGRESS AND OTHER MODERN MYTHS

– *John Gray*

In *The Silence of Animals* John Gray draws on an extraordinary array of memoirs, poems, fiction and philosophy to make us re-imagine our place in the world. Writers as varied as Ballard, Borges, Freud and Conrad are mesmerised by forms of human extremity – experiences on the outer edge of the possible, or which tip into fantasy and myth. What happens to us when we starve, when we fight, when we are imprisoned? And how do our imaginations leap into worlds way beyond our real experience?

**Penguin has kindly given us five copies to give away.  
To win one, answer the following question:**

*What is a group of moles called?*

Please email your answer and your address to:  
review@fabian-society.org.uk  
Or send a postcard to: Fabian Society, Fabian Quiz  
11 Dartmouth Street London SW1H 9BN





### More women, better politics

The underrepresentation of women in still a challenge to the Fabian Society and Labour movement, write *Ivana Bartoletti* and *Sarah Hutchinson*



The low level of representation of women in parliament – 23 per cent – is so persistent it's easy to become immune to the implications. Male MPs outnumber women four to one. Only five women sit at Cameron's cabinet table. This could be explained away as the result of Westminster politics, or selection, or a lack of interest. But this under-representation is replicated across public life.

Councils are making tough decisions about how to prioritise spending between areas fundamental to women – streetlights, education, domestic violence. But only 35 per cent of elected councillors and 13 per cent of council leaders are women (Fawcett Society) and only 15 per cent of high court judges are women. While women do slightly better in the voluntary sector (43 per cent of chief executives), only a third of secondary school head-teachers are women (despite the majority of full-time teachers being women). Women are 46 per cent of the workforce, over 50 per cent of graduates, but only 16 per cent of FTSE directors and 3 per cent of FTSE CEOs.

Women are under-represented in the media, where political agendas are shaped and public profiles developed. Research by Women in Journalism revealed that in an average month, 78 per cent of the front-page stories in national papers were written by men. Of the 668 people mentioned or quoted in lead articles, 16 per cent were women. 16 per cent of reporters and guests on Radio 4's Today programme were women; 28 per cent of Question Time contributors were women.

The Fabian Women's Network believes that the absence of women in political leadership and decision-making is damaging: to women, to politics, and to society as a whole. While the novelty of being the 'woman' can sometimes be used to your advantage, too often it places additional barriers to participation. These can be practi-

cal: the cost of going for selection or lack of crèche facilities at meetings. But they can also be more subtle.

When the image of a typical MP, councillor, judge or journalist is masculine, women too easily see themselves as lacking the attributes or experience necessary to put themselves forward. Where leadership potential is associated with suits and ties and deep voices, and confidence is confused with competency, the situation replicates itself – as more men feel confident in putting themselves forward, or are often encouraged by people who recognise younger versions of themselves. Women often lack this sense of entitlement, and can be overlooked by men engaged in politics.

The Fabian Women's Network seeks to challenge this under-representation through three areas of activity: mentoring, networking and lobbying for feminist public policy. We aim to counter the male-dominated political culture where women are often treated as invisible. Our mentoring scheme gives women the opportunity to meet with women who are experienced in politics and public life, to appreciate the options open to them and the routes they might take. The scheme helps women to learn about practical details of campaigning, standing for selection or applying for a challenging position and to build up the skills and confidence to do so. We encourage women to write and speak in public forums and to build up networks. And we're seeing results, with women from the first two schemes standing for selection, becoming councillors, developing their careers and getting published.

A lack of women in politics also affects what is considered political and what is on the political agenda. US research by Mendleberg and Karpowitz found that when women are in the minority in a political discussion – at the 20 per cent mark that is common to much of the world's legislatures – women spoke for only 60 per cent of the time men did. When they did speak, they were interrupted, ignored, and judged more harshly than men. Only when they were 60-80 per cent of the group did they make equal contributions. And this had policy implications. Women were more likely to be concerned about the vulnerable, but at the 20 per cent mark they recommended a far lower minimum income than at 60-80 per cent. UK research carried out by Kantor found that nearly half of women felt under-represented in politics and this added to a sense of alienation. This is a significant problem for Labour: while Cameron may have a 'woman problem', unless we can engage the low income women who would support us so that they

vote, we will struggle to win the next election.

We have to start talking about the issues people care about, in a way that is relevant to their lives. One nation Labour must be feminist – men and women must have a fair stake in our society. Fabian Women's Network is offering women the opportunity to have a voice in policy, feeding into the Labour policy review, and campaigning on universal childcare and access to science and innovation – and we are keen to work with members across the country to develop this work. Each of us must challenge our own assumptions about who has the potential for political leadership, and make efforts to engage those from different backgrounds: women, the working class, BME members, disabled people. If we do not, we risk missing a wealth of talent, reaffirming disadvantage and alienating those we should be serving. More women will make better politics, but it is down to all of us to make it happen.

*Ivana Bartoletti is deputy director of the Fabian Women's Network and editor of Fabiana magazine*

*Sarah Hutchinson is a researcher for the Fabian Women's Network*

### DATES FOR YOUR DIARY

#### **'Building the Alternative Labour's Policy Review**

Saturday 16 March 2013  
The Circle, Sheffield

Speakers include Lord Maurice Glasman, Paul Blomfield MP, Andrew Harrop

Further information and tickets from Deborah Stoate:  
debstoate@hotmail.com

#### **South Eastern Regional Conference**

Peterborough, Saturday 18 May 2013

#### **South Western Regional Conference**

Bournemouth, Saturday 8 June 2013.

#### **Annual House of Commons Tea**

Tuesday 9 July 2013

*For information about all these events, please contact Deborah Stoate on 0207 227 4904 or at debstoate@hotmail.com*



## Bridge over red water

Wales shows there are votes for the taking when popular left-of-centre policies are presented in a non-ideological way, says *Dan Lodge*



The Welsh Labour government has put clear red water between Wales and Westminster and now it's time to build a bridge. We can show that a centre-left agenda is relevant to English voters, because it's working for Welsh people in difficult times.

Our former first minister Rhodri Morgan used the 'clear red water' speech to confirm that Labour in Wales did not see the value of markets in the NHS. His government and that of current leader Carwyn Jones ensured free prescriptions for all and restraint on charging fees for university students. We've led the way on other things too, as with breakfast clubs – making our schoolchildren more alert and healthy.

We've also got small things right that make a big difference. Five pence for a plastic bag means that most people take their own bags to do the shopping: a huge benefit to the environment and a policy that appeals to green and younger voters in particular.

Welsh Fabians will continue to be a critical friend of the Welsh assembly government, and, indeed, of Ed Miliband.

Strategically, in Wales, we've looked to form a broad base of support. Labour has been in coalition with Plaid Cymru, whose new leader is an avowed socialist. Our aim must be to reach out to nationalist voters and disgruntled Lib Dems, many of whom left us because of the Iraq war and because of what some in Wales perceived as the excesses of New Labour. Those are old battles but Welsh Fabians are determined to learn from them. For Westminster, local and assembly seats (though not the Senedd list seats, nor for European elections) we have first past the post but with four main parties. This is a lottery, especially when you add in powerful independents. Our aim in Wales, as perhaps it should be in the UK, is to appeal beyond our core support. In looking to do this we will keep in mind

the Fabian's *No Right Turn* report: there are votes for the taking with popular left-of-centre policies presented in a non-ideological way.

Ed Miliband made plain his vision for 'one nation', so why not put some popular left-of-centre policies under that appealing umbrella? As each rail franchise comes up for renewal why couldn't a future Labour government decide on a case-by-case basis if public ownership would be the best option? Commuters in middle England would thank us if it meant they got to work on time, in comfort and without being ripped-off. And are we one nation that requires four fully armed Trident nuclear submarines? That would save £15bn, that we could then invest in public services or even mitigate any tax rises. Again, this will not frighten swing voters. Quite the reverse, so let's give tax-payers value by scrapping the redundant Trident.

**Our aim must be to reach out to nationalist voters and disgruntled Lib Dems, many of whom left us because of the Iraq war and because of what some in Wales perceived as the excesses of New Labour**

These are mere examples. Fundamentally, Thatcher won the argument on privatisation and marketisation. Where do we go next? Welsh Labour can show the way in explaining to people the protective power of the state, of community and collective action. Take pensions, and end of life care – how can individuals face living longer but on less money? In tackling these challenges, and in articulating centre-left solutions, Welsh Labour and UK Labour can build a bridge back to power, and lay solid foundations for all our people in getting to work, in balancing their domestic budgets, and in preparing for their later years. Ed doesn't have to be red, but he can take heart from our approach in Wales.

*Dan Lodge is the newly elected Convenor of the Welsh Fabians.*

*You can follow the re-launch of Welsh Fabians on Twitter @WelshFabians. Local groups are reforming, and a series of lectures and fringe events are planned. If you'd like to find out more or get involved you can email dan@danlodge.com or message @DanLodge*

## Noticeboard

### "Why Europe?: The left's answer"

Saturday February 16<sup>th</sup> in central London featuring a keynote speech by Douglas Alexander MP (Shadow Foreign Secretary).

Tickets are £5 for members and just £3 if you've already purchased a New Year Conference ticket. Normal price is £10. To book please call 02072274900 or visit [www.fabians.org.uk/events](http://www.fabians.org.uk/events). The event is organised in partnership with the European Commission.

### Green Labour and a popular environmentalism

Tuesday 22 January 5.30–7pm  
Venue Grand Committee Room

**SPEAKERS:** Ruth Davis (Chief Policy Adviser Greenpeace UK), Michael Jacobs (Visiting Professor LSE), Caroline Flint MP (Shadow Secretary of State for Energy and Climate Change)

**CHAIR:** Stewart Wood

Organised jointly with Labour's Policy Review

To register a place please email: [events@fabians.org.uk](mailto:events@fabians.org.uk) or call 020 7227 4900

### Scottish Fabians

The inaugural meeting of the Scottish Fabians was held on Saturday, 24 November 2012 in Edinburgh. The meeting adopted a Constitution and elected an Executive Committee. Elected to the EC were:

- Daniel Johnson (the newly elected Scottish Convenor)
- April Cumming
- Duncan Hothersall
- Ann McKechnie MP
- Catriona Munro
- Tom York

The meeting was followed by a very successful conference on work and industry in Scotland.

### Fabian Fortune Fund

**WINNER:**  
C.T. Boam £100

Half the income from the Fabian Fortune Fund goes to support our research programme. Forms and further information from Giles Wright, [giles.wright@fabians.org.uk](mailto:giles.wright@fabians.org.uk)

# Listings

- BEXLEY**  
Regular meetings. Contact Alan Scutt on 0208 304 0413 or alan.scutt@phonecoop.coop
- BIRMINGHAM**  
**29 January:** Cllr Lisa Trickett. Venue tbc.  
**26 February:** 'Greening Birmingham'. This and all meetings at 7.00 in the Birmingham and Midland Institute, Margaret Street, Birmingham. Details from Claire Spencer on virginiaisawitch@gmail.com
- BOURNEMOUTH & DISTRICT**  
**30 November:** Claire Moody of UNITE on 'Can Social Europe Survive the Euro Crisis?' **6 December:** Christmas Party.  
**25 January:** Jon Trickett MP on 'How Can Labour Win a Majority in 2015?'.  
**22 February:** Seema Malhotra MP on 'Women and the Economy'. Meetings at The Friends Meeting House, Wharcliffe Rd, Boscombe, Bournemouth at 7.30. Contact Ian Taylor on 01202 396634 for details or taylorbournemouth@gmail.com
- BRIDGEND**  
Society re-forming. Members or potential members should contact Huw Morris at huwjulie@tiscali.co.uk or telephone 01656 654946 or 07876552717
- BRIGHTON & HOVE**  
Friends Meeting House, Ship St, Brighton. Details of all meetings from Maire McQueeney on 01273 607910 email mairemcqueeney@waitrose.com
- BRISTOL**  
Society reforming. Contact Ges Rosenberg for details on grosenberg@churchside.me.uk
- CAMBRIDGE**  
Details from Kenny Latunde-Dada cambridgefabiansociety@hotmail.co.uk Join the Cambridge Fabians Facebook group at <http://www.facebook.com/groups/cambridgefabiansociety>
- CARDIFF AND THE VALE**  
Details of all meetings from Jonathan Wynne Evans on 02920 594 065 or wynneevans@phonecoop.coop
- CENTRAL LONDON**  
Details from Giles Wright on 0207 227 4904 or giles.wright@fabians.org.uk
- CHISWICK & WEST LONDON**  
**6 December.** AGM and Rob Tinker, Fabian Society on 'Austerity or Growth after the Autumn Statement?' All meetings at 8.00 in Committee Room, Chiswick Town Hall. Details from Monty Bogard on 0208 994 1780, email mb014fl362@blueyonder.co.uk
- COLCHESTER**  
**29 November:** Dave Wetzel on 'Stop Tax Cheats with and Annual Land Value Tax'. 7.30 at the Friends Meeting House 14 December. Lisa Nandy MP. Details from John Wood on 01206 212100 or woodj@madasafish.com or 01206 212100
- CUMBRIA & NORTH LANCASHIRE**  
Regular meetings. For information, please contact Dr Robert Judson at dr.robertjudson@btinternet.com
- DARTFORD & GRAVESHAM**  
Regular meetings at 8.00 in Dartford Working Men's Club, Essex Rd, Dartford
- Details from Deborah Stoate on 0207 227 4904 email debstoate@hotmail.com
- DERBY**  
Details for meetings from Alan Jones on 01283 217140 or alan.mandh@btinternet.com
- DONCASTER AND DISTRICT**  
New Society forming, for details and information contact Kevin Rodgers on 07962 019168 email k.t.rodgers@gmail.com
- EAST LOTHIAN**  
Details of all meetings from Noel Foy on 01620 824386 email noelfoy@lewisk3.plus.com
- EDINBURGH**  
Regular Brain Cell meetings. Details of these and all other meetings from Daniel Johnson at daniel@scottishfabians.org.uk
- EPSOM and EWELL**  
New Society forming. If you are interested, please contact Carl Dawson at carldawson@gmail.com
- FINCHLEY**  
**31 January:** AGM and Andrew Harrop. Enquiries to Mike Walsh on 07980 602122
- GLASGOW**  
Now holding regular meetings. Contact Martin Hutchinson on mail@liathach.net
- GLOUCESTER**  
Regular meetings at TGWU, 1 Pullman Court, Great Western Rd, Gloucester. Details from Roy Ansley on 01452 713094 email roybrendachd@yahoo.co.uk
- GREENWICH**  
If you are interested in becoming a member of this local Society, please contact Chris Kirby on cckirby@hotmail.co.uk
- GRIMSBY**  
Regular meetings. Details from Maureen Freeman on m.freeman871@btinternet.com
- HARROW**  
**29 November:** Guy Lodge on his book 'Brown at 10. How should History judge Gordon Brown's Premiership?'  
**28 January:** John Christensen, Founder of the Tax Justice Network on 'Tax Havens'. Details from Marilyn Devine on 0208 424 9034. Fabians from other areas where there are no local Fabian Societies are very welcome to join us.
- HASTINGS and RYE**  
Meetings held on last Friday of each month. Please contact Nigel Sinden at fabian@sindenql.com
- HAVERING.**  
Details of all meetings from David Marshall email david.c.marshall.t21@btinternet.com tel 01708 441189 For latest information, see the website <http://haveringfabians.org.uk>
- HULL.**  
New Society forming. Secretary Deborah Matthews can be contacted at HullFabians@gmail.com, on Twitter at @HullFabians or on 07958 314846
- ISLINGTON**  
Details from John Clarke at johnc Clarke00@yahoo.co.uk
- LEEDS**  
Details of all meetings from John Bracken at leedsfabians@gmail.com
- MANCHESTER**  
Details from Graham Whitham on 079176 44435 email manchesterfabians@googlemail.com and a blog at <http://gtrmanfabians.blogspot.com>
- The MARCHES**  
Society re-forming. If you are interested, please contact Jeevan Jones at jeevanjones@outlook.com
- MERSEYSIDE**  
Please contact Phillip Brightmore at p.a.brightmore@gmail.com
- MIDDLESBOROUGH**  
Please contact Andrew Maloney on 07757 952784 or email andrewmaloney@hotmail.co.uk for details
- MILTON KEYNES**  
Anyone interested in helping to set up a new society, contact David Morgan at jdavidmorgan@googlemail.com
- NEWHAM**  
Regular meetings. Contact Tahmina Rahman - Tahmina\_rahman\_1@hotmail.com
- NORTHUMBRIA AREA**  
For details and booking contact Pat Hobson at pat.hobson@hotmail.com
- NORTHAMPTON AREA**  
If you are interested in becoming a member of this new society, please contact Dave Brede on davidbrede@yahoo.com
- NORTH STAFFORDSHIRE**  
Any Fabian interested in joining a North Staffordshire Society, please contact Richard Gorton on r.gorton748@btinternet.com
- NORWICH**  
Society reforming. Contact Andreas Paterson - andreas@headswitch.co.uk
- NOTTINGHAMSHIRE**  
Regular meetings. Contact Dr Arun Chopra - arunk Chopra@gmail.com www.nottsfabians.org.uk, twitter @NottsFabians
- PETERBOROUGH**  
Meetings at 8.00 at the Ramada Hotel, Thorpe Meadows, Peterborough. Details from Brian Keegan on 01733 265769, email brian@briankeegan.demon.co.uk
- PORTSMOUTH**  
Regular meetings. Details from Daniel Greenaway at daniel.idris.greenaway@gmail.com
- READING & DISTRICT**  
For details of all meetings, contact Tony Skuse on 0118 978 5829 email tony@skuse.net
- SHEFFIELD**  
Sheffield Fabians Christmas Social starts around 8.30pm on **Thursday 20th December** at the Khushi Restaurant, 344 Abbeydale Road, Sheffield S7 1FP. Anyone intending to come should email robertljmurray@hotmail.com. **17 January**
- 2013:** 6.45pm - with David Blunkett MP followed by the Annual General Meeting at 8pm. Quaker Meeting House, 10 St James Street, Sheffield S1 2EW. Regular meetings on the 3rd Thursday of the month at The Quaker Meeting House, 10, St James St, Sheffield. S1 2EW. Details and information from Rob Murray on 0114 255 8341 or email robertljmurray@hotmail.com
- SOUTH EAST LONDON**  
**28 November.** Marcus Roberts, Deputy General Secretary of the Fabian Society on 'Fabianism and the State'. For details, contact Duncan Bowie on 020 8693 2709 or email duncanbowie@yahoo.co.uk
- SOUTH WEST LONDON**  
Contact Tony Eades on 0208487 9807 or toneyeades@hotmail.com
- SOUTHAMPTON AREA**  
For details of venues and all meetings, contact Eliot Horn at eliot.horn@btinternet.com
- SOUTH TYNESIDE**  
For information about this Society please contact Paul Freeman on 0191 5367 633 or at freemanpsmb@blueyonder.co.uk
- SUFFOLK**  
Details from John Cook on 01473 255131, email contact@ipswich-labour.org.uk
- SURREY**  
Regular meetings at Guildford Cathedral Education Centre Details from Robert Park on 01483 422253, robert@park.titandsl.co.uk
- TONBRIDGE and TUNBRIDGE WELLS**  
For details of meetings contact John Champneys on 01892 523429
- TYNEMOUTH**  
Monthly supper meetings, details from Brian Flood on 0191 258 3949
- WARWICKSHIRE**  
**24 January:** Brian Davies, former Head of CAFOD. All meetings 7.30 at the Friends Meeting House, 28 Regent Place, Rugby Details from Ben Ferrett on ben\_ferrett@hotmail.com or <http://warwickshirefabians.blogspot.com/>
- WEST DURHAM**  
The West Durham Fabian Society welcomes new members from all areas of the North East not served by other Fabian Societies. It has a regular programme of speakers from the public, community and voluntary sectors. It meets normally on the last Saturday of alternate months at the Joiners Arms, Hunwick between 12.15 and 2.00pm - light lunch £2.00. Contact the Secretary Cllr Professor Alan Townsend, 62A Low Willington, Crook, Durham DL15 0BG, tel, 01388 746479 email Alan.Townsend@dur.ac.uk
- WIMBLEDON**  
Please contact Andy Ray on 07944 545161 or andyray@blueyonder.co.uk
- YORK**  
Regular meetings on 3rd or 4th Fridays at 7.45 at Jacob's Well, Off Miklegate, York. Details from Steve Burton on steve.burton688@mod.uk

# Fabian News

## AUTUMN EVENT HIGHLIGHTS

### Keynes vs Hayek: Nicholas Wapshott on the clash that defined modern economics

A hundred Fabians journeyed to Broadway House to hear author Nicholas Wapshott give his thoughts on the parallels between the fiscal troubles of the modern era and those of the debate between Keynes and Hayek.

### The Shape of Things to Come: Labour's new thinking

In September we launched our publication, *The Shape of Things to Come* in parliament. We were joined for an informal discussion of the book's main themes by editor John Denham MP and chapter authors Will Hutton, Rachel Reeves MP, Chuka Umunna MP, Matthew Pennycook, Kate Green MP, Rick Muir, Helen Goodman MP, Rowenna Davis, Andrew Harrop, David Clark and Nick Pecorelli. The event

was attended by a host of MPs and leading thinkers from across the left.

### Party Conference Season

The Fabians attended all three major party conferences and hosted more than 30 events, platforming over 100 speakers from every side of the political spectrum including leading cabinet and shadow cabinet figures. The focus of our activity was, of course, at Labour party conference where the highlight was nearly 200 attendees packing into our annual Fabian Question Time on Sunday Night. They saw Andy Burnham, Polly Toynbee, Chuka Umunna, Alison McGovern, Dan Hodges and Owen Jones debate the challenges for Labour at the 2015 elections.

### Letting Go: 'How Should One Nation Labour Govern in 2015?'

A debate was held in partnership with Labour's policy review on our latest

publication *'Letting Go: How Labour can learn to stop worrying and trust the people'* by Jon Wilson. Jon was joined on a panel by Nick Pearce (Director IPPR), Alison McGovern MP, Hilary Benn MP (Shadow Secretary of State for Communities and Local Government) and Lord Wood (Shadow Minister without Portfolio). Over one hundred Fabians took part at the busiest Westminster panel event we've hosted in years.

### Fabian AGM 2012

A well-attended AGM saw a discussion on reconnecting the Labour party with the public featuring Kate Green MP, Anthony Painter (author, 'Left without a future?'), Ben Page (Chief Executive, Ipsos MORI) and Polly Billington (PPC for Thurrock), with Andrew Harrop as chair. There was also the usual business of the AGM where warm tributes were paid to outgoing treasurer Nick Butler.

## ENVIRONMENT AND CITIZENSHIP

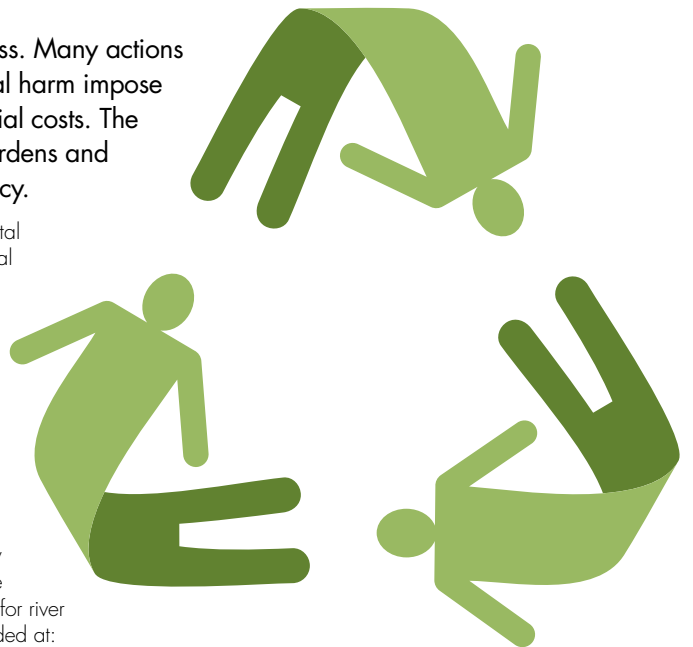
Environmental challenges involve huge issues of justice and fairness. Many actions to avert dangerous climate change or other forms of environmental harm impose burdens on individuals, from constraints on consumption to financial costs. The effects of environmental change bear unevenly too. How these burdens and impacts are to be shared fairly is a crucial question for public policy.

The Fabian Society's Environment and Citizenship programme looks at environmental policy challenges and the role of citizenship: both democratic consent and personal behavioural change. It considers the interaction between environmental issues, fairness and social justice and how public support can be built for sustainability measures affecting personal consumption.

The programme's first output was a report published by the Joseph Rowntree Foundation entitled 'Sustainable Consumption and Climate Change: what do the public think is fair?' The report can be found at [www.jrf.org.uk/publications/climate-change-sustainable-consumption](http://www.jrf.org.uk/publications/climate-change-sustainable-consumption)

This initial publication was built on with subsequent publications: 'The Fairness Instinct: How do we harness public opinion to save the environment', 'Water Use in Southern England: What do the public think is fair', 'Waste Not, Want Not: How fairness concerns can shift attitudes to food waste', 'Everyone on Board: Bringing the public into the aviation debate', 'Running Dry: Exploring people's willingness to pay for river protection', and 'Revaluing Food'. All these Fabian Society reports can be downloaded at: [www.fabians.org.uk/publications/](http://www.fabians.org.uk/publications/)

If you'd like to know more about our Environment & Citizenship programme or are interested in partnering with the Fabian Society, please contact Senior Researcher Natan Doron by emailing him at [natan.doron@fabian-society.org.uk](mailto:natan.doron@fabian-society.org.uk).



# WORKING TOWARDS A RENEWABLE ENERGY FUTURE

## THE PANDA MAKES US DO IT

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