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PRACTICAL POLICIES FOR THE REDISTRIBUTION
OF WEALTH, POWER AND OPPORTUNITY

SERA panel discussion

Labour's green record and the challenges ahead

17 March 2001. Held at the London School of Economics.
Organised by SERA, the Labour Environment Campaign.

Catalyst is grateful to SERA for allowing us to produce and publish this transcript. For more information please contact SERA at 11 Goodwin Street, London N4 3HQ; telephone 020 7263 7389; e-mail seraoffice@aol.com; [http:// users.aol.com.seraoffice/](http://users.aol.com.seraoffice/)

Speakers:

Chris Hewett (Chair of SERA, Senior Research Fellow at the IPPR)
George Monbiot (Guardian columnist and author of 'The Captive State')
Keith Sonnet (Deputy General Secretary of UNISON)
Barbara Young (Chief Executive of the Environment Agency)*
*speaking in a personal capacity

The meeting was chaired by Joan Ruddock MP.

Each speaker was given three minutes to present their view on

1. The government's greatest environmental success
2. The government's greatest environmental failure
3. The biggest environmental challenge for the next term

After each round of short speeches the audience were asked for their own contributions.

1. GOVERNMENT SUCCESSES

Chris Hewett – government successes

Broadly speaking, I think the government has been good on the environment when it's been on the front foot, when it's been pursuing issues and initiatives of its own volition. Issues such as climate change – I think that's probably the biggest success, the 20 per cent target for CO₂, and the strategy to deliver that.

But I suspect the other panellists may want to speak on that, so I'm going to address another success, which is the way that the green tax agenda has been adopted by the Treasury and by Gordon Brown. One of the central policy levers which SERA and the rest of the environmental movement have been proposing for the last ten years has been the idea of shifting the burden of tax away from 'goods' such as labour and income onto 'bads' such as pollution and resource use. If we look over the last four years, the government has picked up this agenda and started to implement it. Gordon Brown increased petrol duty for two years. He introduced the Climate Change Levy. There's a new aggregates tax. The landfill tax has been increased. Changes in the company car tax regime have made it better for clean vehicles. Legislation has been introduced to allow local authorities to

introduce congestion charging and workplace parking charges. And car taxation itself has been changed so that cleaner cars are taxed less than more polluting ones.

None of these measures were popular. All of them had heavy vested interests opposed to them, who campaigned hard to oppose all of those measures. And with one exception, petrol tax (which I'll come to in my next three minutes), the government stood firm against those vested interests.

In particular I want to highlight the Climate Change Levy. This measure raises no money for the Treasury. All the money raised by the Climate Change Levy, an energy tax on business, goes back by cutting taxes on labour and to encourage energy efficiency and renewables. The CBI, driven by a small group of energy-intensive companies, lobbied extremely hard to oppose this tax. Similar lobbying happened in other European countries whenever a business energy tax has been introduced. Other countries have buckled under that pressure – Germany in the mid nineties buckled under that pressure from business lobbies. But Gordon Brown, to his credit, stood firm on that tax. The only rationale for the Climate Change Levy is environmental. And the government used up quite a lot of good political will with the business community by pursuing the Climate Change Levy.

It's not perfect. It's not high enough – we would argue that it should be gradually increased. But it does set an important precedent, that the government is going to take climate change and consumption of energy very seriously indeed. I would argue that before the Levy was introduced, most companies when looking at energy efficiency investments would have thought, 'well, we're probably expecting the price of energy to stay flat or possibly decline a bit, so we might save a little bit of money by investing in this energy efficiency measure, but it's not a priority'. Now as well as the actual amount of the Climate Change Levy, the assumption of many of those boards is that the price of energy is likely to increase over time. That will focus minds in boardrooms. It will make energy efficiency investments rise up the agenda. It will stimulate a number of companies to switch to renewable electricity, which is exempted from the Levy. So I think it's actually changed the mindset. Another use the Climate Change Levy could be used for is there will be an emissions trading system set up whereby companies will be asked to accept caps on their emissions. If companies are exempted from the Levy to accept those caps again, that will give a choice to those companies, but again it may actually make more companies accept hard CO2 caps which will decline over time.

So the green tax agenda has been adopted by the government – it needs to go a lot further, but it is one of the successes.

George Monbiot – government successes

I had a little bit of difficulty with this one. There's no question that there are quite a lot of partial successes out there, but the word 'but' kept cropping up quite prominently when I was trying to decide which one I wanted to choose. So I thought in the end that I would land not on a policy so much as a person, in the shape of our absent friend, Michael Meacher. Because while obviously he's had his setbacks, and he hasn't been able to do a quarter of the things he wanted to do, it's remarkable the extent to which he has succeeded. Apart from anything else, he's survived! Who would have predicted that in March 2001 Michael Meacher would be there, and both Jack Cunningham and Peter Mandelson would be in the political wilderness? An extraordinary situation. So that criterion alone makes Michael Meacher a bit of an environmental success. He's sustainable!

He was largely responsible for steering through the Countryside Act, which had some very positive features indeed. Of course you'd expect me to say it didn't go far enough, and so I will say it didn't go nearly far enough. But it gave us the partial right to roam, and it gave considerably better protection for many of our landscape features and wildlife habitats. Of course that's undermined in other ways by some other things, like the roads programme for example, and the decisions to build the Cardiff Bay Barrage and all the rest of it, which have greatly damaged and dented the government's environmental credibility, despite Michael Meacher's best efforts in that direction.

He was unquestionably very influential in Britain's stance over climate change negotiations and he pushed that as far and as hard as he could. I think he was one of the major factors in persuading John Prescott to try to stand up to the Americans on that. Indeed he definitely needs to be congratulated even if so little came of it in the end – that can't really be laid at his door.

He stood up to Pascal Lamy over Pascal Lamy's attempt to switch regulation of genetically modified organisms from the European Union to the World Trade Organisation without any consideration, without any justification, without any delegation of powers from the European Union to do so. Meacher very bravely stood up and said this is completely outrageous, this shouldn't be allowed to pass. We ended up with a slightly fudged result, but one of the outcomes of it was that Michael Meacher became subject to surveillance on the part of the US government! This was very interesting. The Sunday Telegraph actually looked into this, because they asked under freedom of information laws in the US whether there were any British ministers that were being looked into, and the only one they came up with was Michael Meacher. They had approached the Department of Agriculture but the US DA said 'I'm sorry but we can't give you any information on this because the surveillance originated from within the CIA'. So that definitely gives him my vote as a Labour success if nothing else!

But of course one man can't do it alone, especially when that one man isn't even in the cabinet, even though he's got increasing responsibilities as we see. And when he's undermined by other figures, especially Lord MacDonald, Nick Raynsford, people who seem to have very different agendas within his own department, that makes life very difficult for him indeed. Michael Meacher will only be an unqualified and sustainable environmental success when we have a few other unqualified and sustainable environmental successes within the government who are prepared to support him. And at the moment that hasn't been the case. Though one indication that things are perhaps beginning to shift his way, was the recent speech by Tony Blair, which had Michael Meacher's fingerprints all over it I think you'll probably agree. There was a much greater depth of analysis in that speech than we've seen before from Tony Blair and that unquestionably in my view came from Michael Meacher. What we need to see now is that analysis backed up by some policy prescriptions which actually match the scale of the problems that Tony Blair was talking about.

But thumbs up to Michael Meacher so far.

Keith Sonnet – government successes

I think that the government, and people like Michael Meacher, have made an effort to move the environment from the periphery into the centre of policymaking. Certainly I believe, and my union believes, that they've lacked the courage to do what is necessary to effect real change. Some people seem to be convinced of the importance of progressive environmental policies and they've made the connection between the environment and social and economic development. But as a whole I believe the government has yet to make that connection in any meaningful or practical way.

The first speaker referred to the area of climate change. The Climate Change Levy, in spite of the concessions to the heavy energy users, should encourage industry to use energy more efficiently and thereby reduce greenhouse gas emissions, notably carbon dioxide. It has been said, however, that the UK will meet its Kyoto targets by 2010 largely as a result of the collapse of our manufacturing industry over the past 20 years rather than by efforts of the government.

It's encouraging to see the government tackling the thorny question of company cars, which for too long has encouraged car use over other forms of transport, notably buses and trains. On buses I believe there have been some positive moves, particularly through the Rural Bus Grant to improve rural bus services. But unfortunately they either don't have bus services or, if they have one, it's grossly unreliable. We hope this will change for the better as a result of the government's measures.

In addition to these areas we think there's been a real determination by the government to end fuel poverty. We've been involved for many years in the campaign to end fuel poverty, and though there's still some way to go, we believe that a number of positive steps have been taken to enable us to reach that goal. I don't need to emphasize, I'm sure, to anyone here, that ending fuel poverty will have a positive environmental as well as economic impact. People waste energy because they're poor and, by and large, they live in energy-inefficient homes. Improving energy efficiency in their homes will mean more comfort and warmth, as well as lower emissions. The government's fuel poverty strategy, backed by initiatives like the New Homes Energy Efficiency Scheme, and the Warm Homes and Energy Conservation Act, shows that we are on the right road. But more

needs to be done of course. For example, the target groups are too narrowly focussed, and I would like to see a manifesto commitment, whenever the election is, to end fuel poverty by 2010. But we certainly believe that in the area of fuel poverty the government has made a good start, but obviously as the other speakers have said, a lot more needs to be done.

Barbara Young – government successes

One of the most overwhelming impressions of the last ten minutes is what a creep George Monbiot is! Had Michael Meacher been sitting there I think poor Michael would have fallen off the platform with amazement at the sterling words that were said about him. But he's absolutely right. I would like to make a tribute to Michael because he continues to plug away at the things he believes in that are important and has produced some real change and real development.

Let me just run briefly through the achievements that the government has made. Climate change must be one. It was an absolute stroke of fortune that the first international outing for the government post-election was the Kyoto climate change conference, where we played, as a country, a seminal part in getting what international agreement there was. And I think that gave the government taste for that sort of thing – they rather liked being a world stage ring-holder and that encouraged them to believe that they could play role in the future. The climate change negotiations are somewhat stalled at the moment, but I believe that they won't remain stalled for ever. So the government did well there and coming back into this country, having made commitments at Kyoto, the Climate Change Levy which Chris Hewett talked about is a major step forward against huge opposition. The commitment to renewables, if rather late in the day. Vehicle excise duty, the company car measures, support for energy efficiency, and I hope along with Keith for a commitment to a cessation of fuel poverty in the manifesto. So that's a real package of stuff. So much to do on climate change, but real progress made.

The second one is a particular one of mine and that's the Countryside Act. I lived through night after night till three in the morning putting the thing through but we got it in the end. It's the best news for biodiversity in this country for 20 years. It's been backed up by substantial additional funding for biodiversity conservation. Now we're not out of the woods yet, because biodiversity continues to go downwards as a result of the onslaught of agriculture policy. But there's a real commitment there at least to some of the special sites, and special species and habitats in this country.

The third area I'd like to comment on is another bit of praise, not to Michael Meacher this time, but to the Deputy Prime Minister. He stood up very early on in the lifetime of this government and made a real commitment to improve the water environment, to drive a hard pact with the water companies on water quality and water resources, and the ability of our rivers to sustain wildlife, and for us all to have a clean and safe water supply that wasn't interrupted by bans and buckets. And that's happened. We've now had a massive investment programme in water supply and water quality, a huge emphasis on water efficiency, benefits not only for the environment but for consumers. The DPM set his heart on that and refused to be diverted, and just carried on in his own inimitable fashion, unstoppable, and the water companies had to perform.

The last one is a 'jam-tomorrow' one, and that's the Sustainable Development Strategy. The government did develop, with quite wide consultation, its Sustainable Development Strategy, and indeed inserted into the duties for a whole range of public bodies a duty to take account of sustainable development. My own agency, the Environment Agency, has that; the new National Assembly for Wales; the Regional Development Agencies; and even now a sustainable development duty of a kind for local authorities. There are a number of sustainable development indicators, which the government has put forward as a means of judging its progress against the Sustainable Development Strategy. We mustn't lose sight of those. We must make sure that we as a country do hold government accountable against those indicators, and if they're not moving in the right direction, put our hands up and make a fuss. Because it's only by a consistent process of pushing through the Sustainable Development Strategy across all policies and across all bodies in this country that we will actually reach a point where the environment has its proper place.

There are 14 headline indicators and about 560 others that lie beneath them covering a whole range of

environmental, social and economic outcomes. Some of them look a bit odd but they typify something. For instance there's one about declining farmland birds, which is really an indicator of the health of the countryside and the sustainability of agriculture policy. They're worth keeping an eye on – they're on the DETR website – because on the first year report a considerable number were bumping along and policies had been put in place to improve them so we should see future improvements, but there were still a number that were continuing to decline. It got no press coverage despite the fact that I phoned around the night before trying to persuade all the broadsheets and the tabloids to cover it! Because I think it's the report card on our sustainability performance, and it ought to be like the other report cards on the performance of the economy that people look at and comment on and it really drives the agenda for the future. So go and have a look at it on the website, make a fuss about it, and next year I'm going to try really hard to get it reported by the newspapers.

Points from the floor – government successes

1. The Ten Year Transport Plan – 'I dare say later we'll say why hasn't it been put into operation'.
2. Nick Brown beginning to switch agricultural payments into the Rural Development Regulation and getting match funding from the Treasury.
3. Michael Meacher's consultation documents have forced a sea change in local government attitudes to issues of biodiversity and global warming
4. Meacher has begun an investigation into the social consequences of a 60 per cent reduction in CO2 emissions which is much more realistic than the 20 per cent Kyoto target. US corporations such as Boeing, General Motors and 3M are beginning to acknowledge responsibility.
5. The extent and range of information on the DETR website is way beyond anything that was ever available before.
6. Right-to-roam legislation takes us beyond hopeless attempts to win voluntary agreements with obstinate landowners.
7. Belated support for renewable energy – unfortunately now almost too late for Britain to develop indigenous industries in this area.
8. The Ten Year Transport Plan and the rolling out of the regional agenda.
9. Putting Jonathan Porritt in charge of the Sustainable Development Commission.
10. The Rural Bus Grant.
11. Tax hypothecation now accepted as a principle by the Treasury.
12. Blair's declaration that 'Britain will lead the way' on environmental issues – having led the industrial revolution that got us into this mess in the first place!
13. Britain leads Europe with high fuel prices and the government should be reassured about the Fuel Duty Escalator as the only way to send signals to business in a market economy – this more important than private consumers whose energy consumption is not so price sensitive. Climate Change Levy accepts the principle that environmental taxation should be fiscally neutral, and this should be extended to the Fuel Duty Escalator by hypothecating it for public transport.
14. Most important green tax would be a tax on advertising which is a waste of paper 'generates demand for completely useless things'.

The chair suggested that the government's commitments on and initial moves around the issue of climate change were widely thought to be its number one achievement, but a show of hands on the question was thought difficult to interpret.

2. GOVERNMENT FAILURES

Barbara Young – government failures

The Prime Minister made a speech a couple of weeks ago on the environment, and one of the facets that he identified as in need of urgent attention was the future of agriculture in this country. I'm really pleased that the Prime Minister has got to that point, which most of us have been telling him for at least the last six years, so I'm delighted that he's now seen the light. I do hope that that will mean that he's going to do something about it.

Because if you look at agriculture in this country it is a seriously broke policy. It accounts for half of the spend of the European Union. It's massively expensive. And what does it do for us? It produces food that nobody trusts the safety of any more. It produces farmers who are suicidal and unable to make a living. It is the single biggest cause of decline in the quality of the rural environment and particularly massive decline of biodiversity that we've seen. It is bad for water pollution and water resources. And quite frankly it's a policy that it is a crime that we are spending that amount of European funding on. It needs a radical reform in both Europe and in the way that we implement it within this country.

Someone, as one of the good points for the government's first term, outlined the fact that there had been some move of taking money away from mainstream agricultural production subsidies and putting it into rural development support. But it's a tiny, tiny amount, it's less than 4 per cent of what we spend in this country, and government's got to be much more radical than that. We want to support rural economies, but we want farmers to be doing things that are good for the environment, good for food production, good for rural communities and good for the taxpayer's pocket in terms of value for money. So that's the biggest challenge for the next five years for this government. And foot and mouth I could have predicted quite happily six years ago if anybody had listened!

Chris Hewett – government failures

I've chosen transport as the biggest failure.

To be fair, the government inherited a mess. Public transport investment was very low. Buses were deregulated and badly coordinated. We had congested roads and a failed policy of building their way out of that congestion. And Labour started very well. They produced the first Integrated Transport White Paper for thirty years. It contained a lot of very good ideas, a lot of good initiatives. But the failure was not to back up that White Paper up with early legislation and, particularly, with public investment in the public transport system. Once that decision was made, it was always going to be very difficult to deliver improvements in the public transport system by the end of the first term, and that sadly is where we have arrived.

Again, the government started well on petrol tax – I completely agree with the comments about the Fuel Duty Escalator. We do still lead Europe in terms of petrol taxation. A lot of European countries look enviously at the way we've managed to increase our fuel tax. It was introduced to compensate for falling oil prices. But again the failure was not to link that policy of increasing petrol taxes to cuts in other levels of taxation such as income tax or corporation tax. There's actually an argument that the government was doing a lot more in terms of environmental tax shifting in the first two years, but they didn't want to link the tax increases to the tax cuts, they really only wanted to talk about the tax cuts. They could have also linked the petrol tax policy to future investments in the public transport system, guaranteeing that that money would be used to improve the alternatives. Again the link wasn't made strongly enough, so when the pressure came from motoring lobbies, from the hauliers, from the roads lobby, and by the time we got to the hysteria of the fuel tax protest which was driven by high oil prices not by tax increases – the tax had already been frozen at that point – by the time they got to that point they hadn't used the environment to back the tax, so they couldn't use the environment to defend it in that crisis.

On the spending side, potentially more mistakes could be made. Obviously the Ten Year Transport Plan is going to put billions of pounds into public transport which we have been arguing for many years and we strongly welcome. But it's possible – again the roads lobby managed to subvert the transport white paper into the Ten

Year Transport Plan and a great deal of money which is going to be spent on transport will still be going on roads. We know from the Tories in the 1990s – that's just simply money down the drain. It's money which will generate more traffic, maintain the levels of congestion we have, and it'll create more lobbies against roads. I'm sure the government will face the same sort of protests as the Tories did in the mid-nineties, which is a great shame, if they pursue the level of roads investment that they're arguing for.

What it comes down to is that sustainable transport policy is about choices. Labour inherited an unsustainable transport policy. To keep the balance, which is what they're trying to do in terms of investment in all forms, is just not good enough to shift that policy to make it more sustainable. Encouraging sustainable alternatives such as public transport, also crucially, cycling and walking, does mean we have to use much stronger language about decreasing the use of the car. Bus lanes remove the road space from car traffic. Making people cycle and walk more means that we have to slow cars down, there's no question that that's what we have to do. So I think the terms of the debate have to change and the government has to make it stronger in terms of shifting the balance of policy, from the use of the car, to public transport and other forms.

Keith Sonnet – government failures

We're all looking for politicians with vision. There was a point made in response to the first question about the use of science, and a point made about the American corporations. I think the biggest failure has been the lack of support from the Americans to actually tackle the environmental issues and there's a collective failing of governments throughout the world to convince American politicians of the need to tackle issues affecting the world we live upon. It's a big failure.

But looking at our own government, I think the failure has been the lack of clear perspective, lack of vision, and inability to see the bigger picture. It's seen in a lack of joined-up thinking, although they emphasize joined up thinking. There's been a reluctance to make firm political decisions where they're unpopular. And that's shown in the fuel protests last autumn. Rather than stand firm and explain the environmental case for relatively higher fuel duties, the government prevaricated, eventually giving way and making concessions, and further concessions in the budget a couple of weeks ago. The fact is that most freight is carried by road. Very little, only 7 per cent, is transported by rail. If we want to transfer more freight from road to rail, as the government claim they want to do, it doesn't help if concessions are made to hauliers and heavier load lorries are supported. So that's what they're actually doing.

Secondly, there's been a failure on energy policy. If we want to reduce the damage caused by burning fossil fuels, we have to make big investments now in clean renewable energy technologies and maximise the benefits of combined heat and power and energy conservation and efficiency. Renewable energy technologies such as wave, wind and bio-mass have got huge potential which needs exploiting. The government has only lately recognised this, and they need to do more and kickstart the practical application of renewables, particularly offshore wind-power, for which there is a large market. But it's not just a failure in energy policies in themselves, there's also the role of the regulators. I'm particularly thinking of the electricity industry where the regulator is determined to introduce the new electricity trading arrangement, which is designed to drive down prices. But this will undermine the economic feasibility of renewable energy sources and it adds burdens on small embedded generators who we need in order to improve our generation of electricity. Another example is the treatment of combined heat and power under the Climate Change Levy. The government claims to have exempted renewable energy from the Levy, but it's only a partial exemption – the exemption is only granted if electricity is used on site or sold directly to consumers. Wholesale electricity sales through a third party are hit by the full Levy. And this has the effect of entrenching the big players and marginalizing the smaller producers.

And finally, on transport, there's been a reluctance to set ambitious targets to reduce road traffic congestion. They've even ignored the advice from its own Commission for Integrated Transport to set targets to cut traffic in heavily populated areas. I find it puzzling that the government that is so keen on setting targets in terms of education and health, for example, and say they are keen to meet externally set environmental targets, at the same time shy away from setting their own target for reducing road traffic congestion.

George Monbiot – government failures

The failure I've picked on is the government's failure to engage with or even to understand the critics of globalisation.

We've seen Clare Short, Stephen Byers, Tony Blair, all saying, 'oh, the people who are saying there is anything wrong with globalisation at all, they're all privileged Western protectionists' – completely ignoring the fact that over the last year there have been 50 major demonstrations in the third world against globalisation in the form of the World Trade Organisation, the World Bank and the IMF. That most of the impetus for the anti-globalisation movement is coming from the third world, from the very people whom the government claims will be the beneficiaries of a new world trade round and indeed of the coming General Agreement on Trade in Services.

There's been a complete denial that there could possibly be any ill effects of the sort of agenda that is being promoted. A denial that there could be any problem with the idea of Europe importing beef contaminated with hormones from the United States for example, and so Britain undermined the common position of the European Union which was trying to those things. There's been a denial of the downward pressure on environmental standards, for instance on the European attempts to get manufacturers to recycle their electronic products, on European attempts to control noisy and polluting aircraft, on European attempts to keep asbestos out of our buildings.

The government has failed utterly to engage even with the thought that there might be a problem here. There's even been a failure to engage with the whole principles on which globalisation is being conducted at all. In the week in which the Multilateral Agreement on Investment was being negotiated in 1998 – and this was going to be perhaps the greatest assault on the precious national sovereignty which so many Members of Parliament claim to want to defend – Jack Straw was asked on Question Time 'what do you think of the Multilateral Agreement on Investment?' And he said: 'the Multilateral Agreement on Investment ... when I find out what it is I'll let you know'. I'd be very surprised if any government minister has read the negotiating documents on the General Agreement on Trade in Services, and next week we'll hear them taking turns to line up and denounce any critics of GATS and to claim that there's absolutely nothing wrong with it, on the basis of no information whatever.

Until they start to at least try to understand why environmentalists, human rights campaigners, social justice campaigners, are saying that there's something wrong with their model of globalisation, they're condemning the rest of the world to environmental, social, economic, and humanitarian failure.

Points from the floor – government failures

1. The Hastings bypass.
2. Gap between the rhetoric on climate change and the reality of a rebate for some of the worst pollutants, no change in the petroleum revenue tax, no windfall tax on the oil companies, Prescott siding with Americans against Europeans, BP's Lord Simon in government.
3. Transport – making an inherited mess worse by pushing through privatisation as best way of dealing with transport issues.
4. The Birmingham North Relief Road.
5. Not using science credibly – making crude direct links between flooding and global warming is easy for the sceptics to knock down.
6. Planning system still prone to drift that creates more development and more traffic.
7. Lack of interest in British environmental fuel technology.
8. The waste strategy centred on incineration and landfill.
9. Prescott said he would have failed if people were not making fewer journeys by car; now he is planning for a 17 per cent traffic growth and building roads for it.
10. 62 new contracts for incinerators signed despite Meacher's previous recognition of their serious

consequences; usually sited in poor areas.

11. Could easily have included an energy rating as part of the house sales process.

12. General failure to keep promises on issues like NATS privatisation.

13. Not following through on Agenda 21 despite good start.

14. Not talking about the scientific basis of environmental policy and speaks only in terms of monetary manipulation.

3. CHALLENGES FOR THE YEARS AHEAD

George Monbiot – challenges

I'm glad to follow on from Barbara and talk about farm policy. We're now at a point where it could go either way. We could go straight on down the line of intensification, increases in scale and all the rest of it. Or Tony Blair's speech could be the signal that we're beginning to see a move towards sustainability in agriculture.

If that's to be the case, then he's first of all got to remove a small impediment to that vision, called the Ministry for Agriculture, Fisheries and Food. Or the 'Ministry for Amalgamating Fact and Fiction' as some experience has shown. The problem with MAFF policy is that for the last fifty or so years it has been in the hands of a few very, very big farmers, generally the East Anglian barley barons, plus the agro-chemical industry and machinery manufacturers, who have all done very well indeed from subsidies, and they want to keep it that way, and in order to keep it that way they want to ensure that the subsidies stay in the hands of big farmers and are not redistributed to the small ones.

As a result 20 per cent of farmers receive 80 per cent of the farm support. At the last Agenda 2000 negotiations of the Common Agricultural Policy, Britain went in against all the other European Union partners and said, there is absolutely no way we are going to redistribute subsidies, we are not interested in small farming, what we are trying to do is to, in their words, 'facilitate restructuring'. What 'facilitate restructuring' means in English is getting rid of small farmers. Now of course if you get rid of small farmers, the first thing you do is to throw us into direct competition with the million-acre grain farms in Canada and Russia and the million-sow hog farms in North Carolina. And we simply cannot survive in that market – it's crazy. Every other part of the economy is being told it's got to go for low-volume/high-quality production, and in the one sector of the economy which is geographically limited, we're being told to go for high-volume/low-value. It can't even work in raw economic terms, let alone its devastating ecological impact.

We've got to start building up small farm networks. We've got to see a massive shift of money towards, if we're going to have farm support, supporting organic production, supporting the sort of production that keeps people on the land rather than shedding them all the time, rather than heading towards what MAFF predicts as the future of small farming in this country, solely – and I quote – for 'domestic and recreational purposes'. We've got to move completely away from that policy, and towards a policy which actually rewards direct producer-consumer contacts, which actually rewards the least transport possible, not shipping every sheep in Northumberland to Devon and every sheep in Devon to Northumberland, and rewards the re-internalisation of farming's externalities. What that means, of course, is not allowing particularly the big intensive producers to dump their costs onto the environment and onto other sectors of society. That is now one of the biggest challenges that this government faces.

Keith Sonnet – challenges

There's going to be a number of challenges, but two stand out in my view, the first of which is transport, which generated a lot of discussion, and the second is agriculture.

The environmental impact of transport is well established. It counts for about 25 per cent of all carbon dioxide emissions in this country and it's the fastest growing sector. It's therefore the area which needs the greatest effort to reduce emissions. Road transport is the biggest consumer of petroleum products with 72 per cent of final use. And whilst there's been some progress made to improve fuel efficiency of conventional vehicles,

I certainly believe we need to step up measures to encourage the use of fuel substitutes, such as bio-fuels, hydrogen and natural gas.

As well as improving air quality through better vehicle and engine design we also need to reduce congestion on roads. On DETR's figures, as an earlier speaker said, road traffic is set to grow by a 17 per cent by 2010. This means that we must use our cars less than we do at present, particularly for short journeys. More car journeys mean more pollution, more congestion and more deaths and injuries. We need a strategy to deal with that. The government has to set targets and ensure that the right measures are in place and operating. We need a target to reduce traffic congestion considerably by 2010. If we want to save lives we need a mandatory speed limit of 20 miles per hour in residential areas. Cutting the speed limit and enforcing it will reduce the number of deaths of the elderly and children who are most affected by speeding vehicles. Investment of £180 billion on public transport, a lot of which will be spent on grand schemes to improve the rail network and bus services, gets the headlines. But it's spending on small local initiatives by local authorities which create safe neighbourhoods and streets and that's what makes the big difference to people's lives, not necessarily the big schemes of the Hastings bypass or the Birmingham ring road. Lots can be done by local authorities on a small scale.

Agriculture is the other area where the government will face a big challenge over the next five years. BSE and now the foot and mouth crisis have highlighted the problems of food production. More and more people are concerned about the quality of the food they eat and the effect that conventional intensive farming methods have on the environment, farm animals and on wildlife. We currently have proposals being put forward in Europe and by our own government to deregulate, for example, the meat hygiene service, and meat inspection, to give it off to the private abattoir owners. Deregulation in the meat industry has been one of the major causes of the problems that we're facing. One of the problems with agriculture in the European Union is the Common Agricultural Policy, which pays farmers to produce in large quantities, which leads to over-production and large food surpluses, whereas what we should be doing is encouraging farmers to develop sustainable production methods which take into account environmental benefits.

Some people believe that the application of genetic engineering in agriculture will solve the problems of herbicide and pesticide use in conventional farming. But people are also concerned however about the unknown health effects of those changes and of eating genetically modified food, which the current trials will do nothing, in my view, to identify. Growing genetically modified crops is not about improving the environment, it's not about protecting wildlife in the UK, and it's not about feeding the hungry in the developing countries. It's basically about the control of the world agricultural business by a small number of transnational corporations. And if we want to improve the environment, we want to protect wildlife, we want to produce healthy food, and feed the hungry, we need to develop a sustainable system of agriculture based on local knowledge and technical expertise. Expanding organic farming in the UK will assist in developing this approach. And it will give consumers a choice which they don't have at the moment. People say, people in this country want cheap food. I don't think people want 'cheap food', they want food they can afford, and basically we are a low wage economy, and people don't earn enough to pay for the essentials that they need. The government has got to help farmers who wish to switch to organic methods. And finally, I'd like to see the government develop an action plan, and set targets of 30 per cent production, and 20 per cent consumption of organic food by 2010, as outlined in the Organic Food and Farming Targets Bill which is going through parliament.

Barbara Young – challenges

A lot of it has been said – agriculture policy is a huge challenge. I wouldn't pin all my hopes on organic production, I think there are lots of other things that we ought to get farmers to do for us, for all that money that we pay them. One is farming for biodiversity which is not just about organic production, there's a whole range of ways that people can farm that's better for biodiversity than it is at the moment. Also farming for water – we've seen the floods, we need some land to store floodwater during the winter to prevent it from flooding people out. Farmers could earn a living one year out of ten farming for flood relief rather than crops that nobody wants. The second point that I would support is the transport issue, that is a real big challenge as well.

But the one I want to focus on particularly is the one that came out of the recent state of the environment report that the Environment Agency did for millennium, the Environment 2000 Report that is on our website. What it showed was that the areas where we've made least environmental progress is where a whole number of small and medium-sized enterprises, or a range of individuals, by their actions cause the environmental impact. And they're the least easy people to contact. You and I as individuals are the least easy people to have an influence over.

The two areas there are, first, traffic and the way in which we each make our transport choices for the future – that's going to be a big challenge for the government to influence. Second, in the field of waste – a speaker from the audience was absolutely right, people don't like incineration, they're worried about its health impact; they don't like landfill, they're worried about its health impact; and yet we see domestic waste continue to rise by three per cent per annum. We've got to get a programme over the next five years for helping local authorities to help you and I reuse, recycle, in far higher levels than we're doing at the moment. If we don't do that I predict a major explosion in public confidence. Because we're seeing signs that no one's going to put up with the incinerators, no one likes the landfill, but we've got to put our waste – the waste that you and I generate – somewhere. So let's look at how we can help support local authorities in that.

Chris Hewett – challenges

Two things. One is what I drew from the first session, in that a lot of different issues from a lot of different parts of government came up. So that's one message we can send back in terms of challenge – that it is still worth pursuing the integration of environmental policy into all parts of government. People mentioned MAFF, the Foreign Office, the Treasury, regions, local government. That's something which is under the radar in a lot of areas but the environmental community is noticing. That's something we can send back to the government.

The biggest challenge though for me has got to be climate change. The government has successfully made Britain one of the global leaders on of climate change policy. What it's got to do now is use that leadership for the good of the environment. It has to do that in two ways.

First of all we have to build up our credibility in terms of delivering a policy in our own country. Tony Blair's speech recently obviously did demonstrate a shift in his understanding of the problem and some of the solutions that we need. So a challenge would be long-term targets for a renewables industry. The renewables industry is ready to deliver in terms of shifting our energy policy. So tough long term targets to deliver those cuts in CO₂ from energy policy are ripe. The Royal Commission on Environmental Pollution has set this challenge to the government of reducing our CO₂ emissions by 60 per cent by 2050. The government needs to respond to that in a positive way and to address those sort of very long term issues. Changes in transport policy will obviously be needed.

The other thing we can do with our leadership is to take on the United States, or rather the Republican administration that is now in the United States. George Bush, we hope, will only be there for four years. A new Labour government will outlast George Bush. So I would urge the government not to give too many concessions to that Republican administration because there is life after George W. So in that sense Britain can use its position in terms of credibility with the policies we have, in terms of position within the EU and our link to the United States. We do need to use that international position to maintain climate change as one of the most important political issues on the global stage, which undoubtedly it will remain.

Points from the floor – challenges

1. New building projects are still subject to a zero rate of VAT.
2. Military operations and a major global polluter, the government is still bolstering the defence industry.
3. Reducing rubbish through changes to packaging.
4. Communicating issues to public and giving a lead to popular opinion.

In conclusion the chair noted that agriculture and transport had clearly come out as the major environmental challenges for the next five years.

Resources

SERA	http://users.aol.com/seraoffice/
IPPR Sustainability Programme	www.ippr.org.uk/research/res_sust.html
George Monbiot's latest book	www.panmacmillan.com/Features/CaptiveState/
UNISON environment policies	www.unison.org.uk/polres/esdindex.htm
Environment Agency	www.environment-agency.gov.uk/
DETR Sustainable Development	www.environment.detr.gov.uk/sustainable/
DETR Ten Year Transport Plan	www.detr.gov.uk/trans2010/
MAFF farming policy	www.maff.gov.uk/farm/
PM's latest environment speech	www.number-10.gov.uk/news.asp?NewsId=1872&SectionId=32