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agenda
spring 2008

media meltdown

ITV Wales is celebrating fifty years of broadcasting during 2008. In that time the Welsh franchise has gone through several permutations. First to hold it was TWW, Television Wales and the West. A decade later Harlech Television won control, later becoming HTV Wales and the West. In 1997 HTV was taken over by United News and Media which subsequently became part of Carlton in 2000. ITV Wales is now part of a merged ITV, which owns all the ITV franchises in England and Wales. Driven by commercialisation, each stage has seen a process of centralisation in which the distinctive dimension of Welsh broadcasting has been eroded and diminished. How far can the process go before we see an end to any autonomous Welsh presence within commercial broadcasting?

The question is important on a number of fronts. In purely economic terms ITV Wales contributes more than £12 million of disposable income into the local economy and supports the equivalent of more than 670 jobs, according to a study carried out by the Welsh Economic Research Unit at Cardiff Business School in 2002. But, of course, the argument goes deeper than that. Welsh civil society, finding its voice in response to the coming of the National Assembly, is dependent on effective communications. Moreover, there are democratic dangers in the reduction of news outlets, quite apart from the cultural loss in seeing vehicles of expression shut down.

So how near is the threatened end of ITV Wales? Unless there is a concerted campaign the answer could be very soon, perhaps not long after 2010 when Wales will be the first of the UK nations to have switched entirely to a digital television service. Three contributions to this issue of *agenda* on the future of the Welsh media make the same point from different perspectives. Professor Richard Wyn Jones, of Aberystwyth University, remarks, "With the sad decline of ITV Wales as a serious provider of news and current affairs, the BBC is, effectively, the monopoly supplier of news and current affairs programming." In his article IWA Chair Geraint Talfan Davies asks, "Is Wales going to be reliant only on the BBC for the bulk of broadcast news provision? Is ITV going to be allowed to withdraw completely from Wales?" And Elin Haf Gruffydd Jones, again from Aberystwyth University, observes, "ITV's commitment to Wales has already been reduced, with non-news Welsh production down from four to three hours per week from January 2009."

In the new multi-channel digital world, with its fierce competition for advertising revenues, the ability of a channel like ITV Wales to sustain public service news and current affairs broadcasting is being undermined. In the next few months the regulator Ofcom is embarking on a review which will address this dilemma. Supported by the Welsh Assembly Government the IWA is currently undertaking an audit of the Welsh broadcast and print media. The objective is for this contribute to a much needed debate to mobilise opinion around an optimum solution to a critical problem for our fledgling Welsh democracy.

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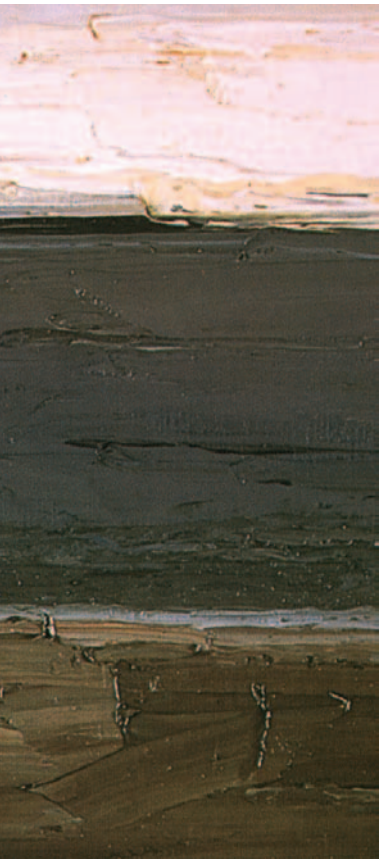
ITV Wales early evening news *Wales Tonight* presenters Andrea Benfield and Jonathan Hill



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coming up...

- **Assembly To Senedd**
Tuesday 29th April, 9.00am to 1.00pm
All Nations Centre, Cardiff
Keynote Speakers: Barry Morgan, Archbishop of Wales; Sir Emyr Jones Parry, Chair, Constitutional Convention; Professor Laura McAllister, University of Liverpool; John Osmond, Director, IWA; Alun Davies AM; Helen Mary Jones AM; Mike German AM; Nick Bourne AM.

- **Making Business Sense of Sustainable Development**
Tuesday 12th June, 9.00am to 4.00pm
Park Thistle Hotel, Cardiff
Keynote speakers: Dr Einir Young, Welsh Institute of Natural Resources, Bangor University; Felix Gummer, Corporate Affairs Director, Tesco; Dr Stewart Davies, Director, Serco Integrated Services and Business Commissioner with the Sustainable Development Commission; Chris Hillyer, Twelfth Man Marketing; Naresh Giangrande, Transition Towns initiative; Rhiannon Rowley, Managing Director, Abaca; Jan Cliff, Director, Sundance Renewables; Phil Cooper, Venture Wales; Angharad Davies, BT Wales; and Frank O'Connor, Ecodesign Centre Wales.

- **A Cultural Quarter for Newport**
Thursday 26th June, 8.45am to 2pm
Riverfront Arts Centre, Newport
Keynote speakers: Rhodri Glyn Thomas AM, Minister for Heritage; Fred Manson, former Director of Regeneration and Environment, Borough of Southward; Chris Freeguard, Managing Director, Newport City Council; Anne Carlisle, Deputy Vice Chancellor, Newport University; Rosemary Butler AM, Deputy Presiding Officer, National Assembly

just published...

- **A Strategy for the Welsh Economy**
John Ball. £10
- **Europe: United or Divided by Culture?**
Anthony Everitt. £10
- **The Welsh Health Battleground**
Academy Health Wales. £10
- **Assembly to Senedd**
John Osmond. £10

more information:

www.iwa.org.uk

spine for the dragon

John Osmond heads north on the A470, just south of Merthyr.

john osmond examines the case for upgrading north-south road links

"An important point to be considered in any discussion of road provision in Wales is the effect of the virtual non-existence of alternative modes of transport."
Bob Daimond, in *The National Assembly Agenda*, IWA, 1998.

"Minister, the volume of traffic does not warrant it."
Welsh Office advice to Secretary of State for Wales Jim Griffiths on dualling the A48 across south Wales, 1965.

Until now north-south routes within Wales have never been a government priority. East-west British strategic considerations – the routes to Ireland – and later the economic requirements of the population concentrations in the north and the south, made linkages between them seem of little consequence.

It is little appreciated either that it was only in November 1972 that a route between north and south Wales was even designated. That is to say, it was not until 1972 that the present A470 got its number for the whole 168-mile route between Cardiff and Llandudno. This followed a campaign in the *Western Mail* that such a route should be agreed and numbered. I know, because as a young reporter on the paper I thought up the campaign.

The roads which form what is now the A470 were originally numbered under the Trunk Roads Act 1946, except for the section between Caersws and Machynlleth. This became a trunk road in 1950. The 1946 Act designated the section between Cardiff and Llangurig as the A470. However, the north-south route was also served by eleven other trunk roads.

In November 1972 the Secretary of State for Wales, the late Peter Thomas, announced that the north-south Trunk Road between Cardiff and Llandudno should be given the number A470 throughout. It followed a lot of agonising, much of it in the columns of the *Western Mail*, about precisely which route it should follow. My own crowning moment came when, called into the Welsh Office Roads Division, then located in Newport Road in Cardiff, I was confronted with a plethora of maps and asked, "Which way do you think it should go?"

So it was with some personal involvement that in the late 1990s, not long after joining the Institute of Welsh Affairs, I set about commissioning a report on how the north-south route could be improved. It has to be said, as well, that much of the impetus came from the IWA's North Wales Branch, then chaired by Professor Gareth Wyn Jones. He was in the interesting position of being a well-known environmentalist making the case for more spending on roads, or at least on roads between north and south Wales.

The timing of our study *Uniting the Nation* was important, coming as the National Assembly was about to be

inaugurated. Indeed, the study was launched at a Press conference in Llandudno on the day of the first elections to the Assembly on 3 May 1999. After the launch and a photo call at a carefully-picked dangerous bend, under a bridge just south of Betws-y-Coed (it's still there) I drove down the A470 to Cardiff to vote.

Of course, the National Assembly had placed a whole new perspective on communications, with north-south links suddenly given a new salience, for at least six reasons:

- Transport and communications are an important part of the Assembly Government's responsibilities.
- Communications with the Assembly from all parts of Wales are important in determining people's perceptions of its relevance and effectiveness.
- Additional journeys between north and south would be generated by the presence of the Assembly.
- Development of national facilities in Cardiff – such as the Millennium Stadium and the Millennium Centre – would increase traffic between north and south. And because these facilities were national there was a strong case in equity to provide people in far-flung corners of Wales reasonable access to them.
- An additional argument we made at the time was that since significant parts of the A470 passes through the west Wales and the Valleys region then improvements might be eligible for Objective 1 funding.
- We also suggested, perhaps optimistically, that the impact of Objective 1 status in raising the region's GDP would also result in an increase in traffic.

The IWA commissioned the consultants W. S. Atkins to discover whether a cost-effective, environmentally acceptable approach could be found to reduce journey times between north and south Wales by around an hour. In addition to the A470 between Llandudno and Cardiff, we examined the routes starting from Wrexham, the A483 joining the A470 at Newtown, and from Bangor – the A487 joining the A470 at Maentwrog. We sought the following journey time improvements:

- A reduction of one hour from approximately four-and-a-half hours down to three-and-a-half hours in the journey between Bangor/Caernarfon and Cardiff.
- A reduction from approximately three-and-a-half hours to two-and-a-half hours in the journey time between Wrexham and Cardiff.

The outcome of the study was an imaginative proposal for sequential overtaking lanes on both the southward and northward bound directions of these routes. We judged that, taken together with existing Welsh Office proposals for improvements to the routes, the time savings we were looking for could be found.

As important was the improvement in the consistency of travel time offered by these proposals. At present a journey on the A470 from north to south can take anything from three-and-a-half to five-and-a-half hours, depending on variables such as time of year, time of day, and the weather. The proposals contained in our report would reduce the impact of these variable conditions.

But most importantly of all, our proposals looked at north-south communications in a holistic way. That is to say, they viewed the route as a single entity requiring an over-arching strategic approach to its improvement. Rather than straightening a bend here or building a by-pass there being seen as a solution to a localised problem, it adopted a view that stated that each piece of road improvement would enhance the whole route.

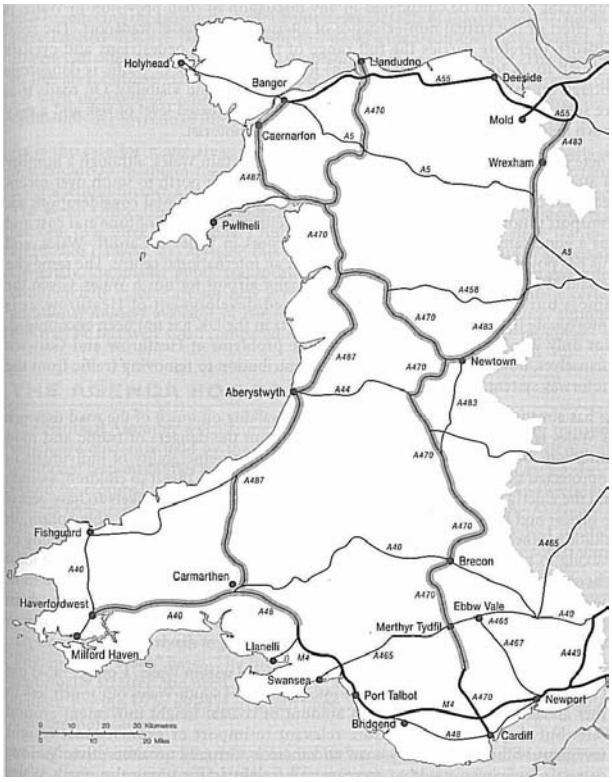
The financial implications of the IWA's proposals made nearly a decade ago were deliberately modest. We did not want a scheme capable of being immediately rejected because it was way beyond the available budget. The extra expenditure resulting from implementation of the recommendations would have been of the order of £63 million, at prices that applied in 1999. We proposed they should be spread over a ten-year period, amounting to an average of £6.3 million a year.

In terms of the overall Welsh roads budget for new construction and improvement these were relatively small sums. For instance, over the period 1986 to 1998 the annual Welsh roads budget fluctuated between £76 million at its lowest and £140 million at its highest. The extra spending proposed in our report was therefore well within the limits of previous variability in spending. It provided a classic instance where the new Assembly Government had the capacity to determine a new priority.

Our report was commended and supported by the Welsh Development Agency and the Welsh Local Government Association. Powys County Council passed a resolution advocating its implementation. But, of course, nothing happened. Why?

Officials were able to side-line the report because at the time their own multi-modal north-south study was being commissioned. And as a result of that, since 1999 the main emphasis has been on improving north-south train links between Bangor and Cardiff, rather than road connections. Of course, these improvements are to be welcomed. But the fact is that the train service runs through England and so is largely irrelevant to those needing to travel through the heart of Wales. Moreover, the rail service from north Wales to London (215 miles) is of higher quality and quicker than the service to Cardiff (130 miles).

Again, while the new subsidised air service from Valley in Anglesey to Cardiff Airport is of great benefit to a small number of travellers, it can only serve a limited market with limited origin and destination requirements. Leaving aside the environmental impact, it is encouraging that the take-up of the service has been so good. But the aircraft deployed are small, mainly because if they were bigger the landing charges would increase, making the service uneconomic, even with a subsidy. And, of course, Valley is hardly a central location. Even



Map 1
The Dragon's spine – Wales's strategic road network.

without road improvements, overall north-south journey times door-to-door for the air service, compared with car journeys, probably don't add up for most of north Wales.

The principal recommendation in the IWA's report – the provision of overtaking lanes at regular points on the trunk road network – was simply rejected by Assembly Government as not being part of UK highway design and construction practice. Officials said, in effect, that 'three-lane' highways were off limits.

This is a mind-set we need to challenge. First, we are not proposing a 'three-lane' highway. We are proposing dual-carriageway passing places at regular intervals, going north and south. Secondly, a similar approach has been adopted in many other countries around the world – Ireland, Australia, the United States and Norway to name just a few.

There is now a strong case for researching the performance and specification of this kind of road improvement in other countries. After all, what is appropriate for urban England is hardly likely to be appropriate for rural Wales. Ten years ago, our study pointed out that within the UK generally there was a shift away from road construction towards a policy of integrated transport. But it went on to add:

> *"Such a policy may be appropriate for England; it may be less appropriate for Wales with its scattered settlement patterns and with so little rail and air transport to integrate with."*

And as it also argued, while there are opportunities for enhancing bus and coach services in both urban and rural Wales, these in turn need road space to deliver more speedy and reliable services. Since these arguments were last rehearsed, the *One Wales* coalition agreement between Labour and Plaid Cymru has offered us the chance of a fresh start in addresing these questions. As the document says: "We will develop and implement a programme for improved North-South links, including travel by road and rail." And it adds:

> *"We will press ahead with improvements to major road links between the North, the West, and the South of Wales, investing £50 million for this purpose over the four year Assembly term."*

At the IWA's conference on north-south transport links in January 2008 the Deputy First Minister and Minister for Transport Ieuan Wyn Jones, said he would be investing a significantly greater sum than £50 million, adding that a priority was maximising the economic impact of his transport programme. At the conference the following arguments in favour of now giving roads a priority were underlined:

- There was general agreement among the business organisations we consulted following publication of the IWA report that journey times were a critical consideration in their investment decisions.
- Journey times by road through the heart of Wales are still variable and unsatisfactory.
- There are significant economic benefits to be gained from improving average speeds and reducing normal journey times.
- There are significant health and safety benefits for the community in general from reduced travelling time, reduced stress, and less pollution.
- The employment prospects of the rural population can be significantly improved by reducing travel to work times.
- Employment prospects for the rural population can also be improved by reducing the transport cost 'premium' affecting business in remote areas.
- Accessibility, a key element of the Welsh Assembly Government's social agenda, is dependant to a great degree on the quality of road transport.
- Access to most health, social, education, shops and other services in rural and peripheral areas is dependant on road travel.

Of these themes the economic and environmental arguments are worth examining in more detail. First, the case for improving Wales's internal strategic road network road needs to be understood in the context of developing a more coherent spatial development strategy for the country.

Map 1 shows Wales's internal strategic road network. It is taken from Gwynedd's former Director of Highways Bob Daimond's contribution on transport policy to the IWA's 1998 book *The National Assembly Agenda*. It can be seen that the A470, the A483 and A487 form the central spine of the network. But what is essential from the point of view of a more radical approach to Wales's spatial planning is how closely this network links to what should be an essential economic development strategy.

The approach has been set out by Professor Gareth Wyn Jones and his colleague Dr Einir Young at Bangor University in their

proposals for development domains across rural Wales. They were published in 2003 as *A Bright Future for Rural Wales*. This argued that all parts of rural Wales should have a special relationship with a nearby urban settlement. It identified a dozen such urban centres across rural Wales and advocated that development should be concentrated upon them. In some cases they were interconnected but dispersed smaller settlements, in others relatively large towns. In broadly-defined rural Wales the authors identified 12 development domains, including the Irish ferry ports, as follows:

- Y Fenai: comprising all the communities on either side of the Menai and adjacent villages.
- Llanelli: including Burry Port, and Felinfoel to Pontardulais.
- Aberconwy: comprising Llandudno, Deganwy, Colwyn Bay, Conwy and the Junction, and adjacent villages.
- Dyffryn Clwyd: comprising Rhyl, Prestatyn, Dyserth, Rhuddlan, and St. Asaph and adjoining communities.
- Glannau Ceredigion: Aberystwyth to Aberaeron and surrounding villages.
- Tywi: Caerfyrddin and adjacent villages to Llandeilo.
- Glannau Madog: Porthmadog, Penrhyndeudraeth, Ffestiniog, and Cricieth to Pwllheli.
- Daugleddau: Milford Haven, Haverfordwest, Pembroke, Pembroke Dock.
- Hafren: Newtown to Welshpool.
- Llandrindod/Builth.
- Holyhead and north Anglesey.
- Fishguard.

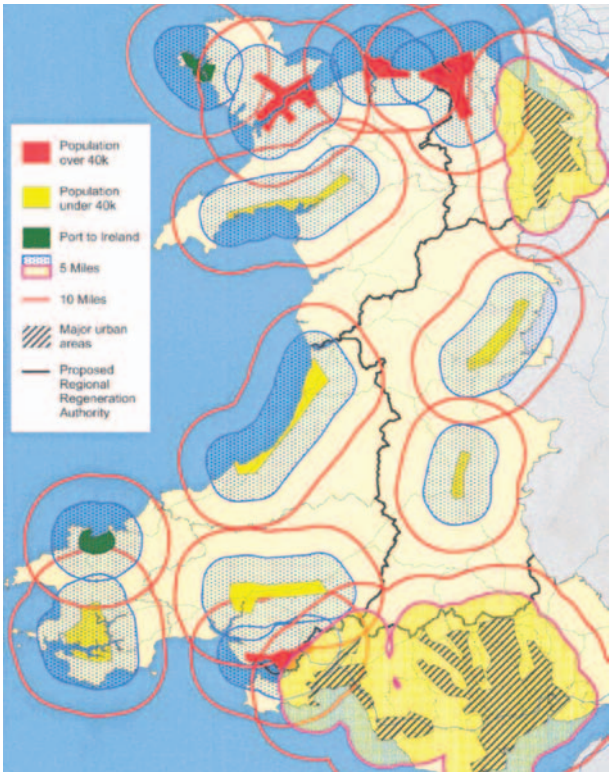
Map 2 gives an impression of these domains. What is immediately obvious is how important the Welsh strategic road network is in joining up the settlements it highlights. Of course, some might think there is a paradox that one of Wales's leading environmentalists and advocates of sustainable development, Gareth Wyn Jones, has been so vocal in advocating an upgrading of this network, and in particular the A470. But sustainable development is about balanced development. Improved road communications are essential to the development domains spatial strategy.

In his introduction to the IWA's 1999 report *Uniting the Nation* Gareth Wyn Jones took the arguments head-on, noting that roads and road building were under attack for at least three reasons:

- Doubts were being cast of on efficacy of road building for increasing economic prosperity.
- European Union commitments to curbing CO_2 emissions.
- Concern for the broader impact of road building on the landscape and wildlife.

However, he went on to say that a balance needed to be struck:

> *"There is a danger of an avoidable conflict arising between environmental concerns on the one hand, and the emerging needs of Wales as a political and economic entity on the other."*



Map 2
Welsh development domains – devised as cores of positively reinforcing clusters of economic development, linked by the strategic road network.

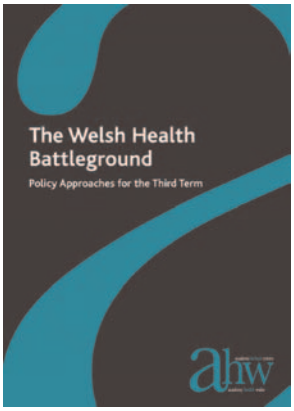
He added that there was no prospect of cars, buses and other vehicles disappearing. What we should do, he insisted, is minimise their environmental impact. In the short term this means more fuel efficient vehicles and lowering the speed limits on our motorways, since speeds over 60mph decreases fuel efficiency dramatically. So far as the A470 is concerned, compared with other routes between north and south Wales it is not very fuel-efficient. That is to say, its many bends, junctions, steep gradients, and, generally, lack of passing opportunities, make breaking, accelerating and changing gear frequent necessities – all involving high fuel consumption. So improving the road would reduce CO_2 emissions.

In the longer run Gareth Wyn Jones advocates that we should be looking at hydrogen/fuel cell propulsion systems, as are being adopted in such diverse places as Norway and California. Perhaps we could make the A470 a Hydrogen Highway, giving priority to a high-speed coach service fuelled by hydrogen made with renewable-generated electricity along the route.

However, the immediate challenge is to grasp the opportunity presented by the One Wales commitment to upgrade our north-south road connections. And the essential opportunity is to implement this commitment in a holistic way, rather than with the piecemeal approach that has happened in the past.

John Osmond is Director of the IWA. This article is based on his keynote address given at the Uniting the Nation conference in Llandudno in January 2008.

welsh health battleground



A Public Health Bill should be promoted by the Assembly Government to tackle 21st Century problems such as obesity, the threat of bird flu and other pandemics, according to The Welsh Health Battleground, a new study published by the IWA.

The call is made by John Wyn Owen, a former Director of NHS Wales, in his contribution to the publication in which health experts suggest new policy approaches for the National Assembly's third term. *The Welsh Health Battleground* comprises the edited contributions made to the inaugural conference of Academy Health Wales, organised by the Institute of Welsh Affairs in July 2007.

Mr Wyn Owen says the Assembly has an opportunity to pioneer a distinctive Welsh approach which could serve as an exemplar for devolved administrations throughout the UK. He says current legislation is unfit for purpose for three reasons:

- It fails to demonstrate a cross-cutting approach to population health protection and improvement.
- There is a dangerous lack of clarity about public health accountability.
- Communicable disease powers are grossly outdated and have little relation to contemporary scientific knowledge concerning effective control methods.

Mr Wyn Owen argues that a Welsh Bill, promoted under the Assembly' new powers within the 2006 Wales Act, should closely Swedish legislation by targeting such areas as eating habits and safe food stuffs, reduced uses of tobacco and alcohol, a drug free society, and a reduction in the harmful effects of excessive gambling.

***The Welsh Health Battleground* is available from the IWA at £10, with a 25 per cent discount to IWA members.**

quizzing tesco's green credentials

Members of the IWA's West Wales Branch debated Tesco's environmental impact with the store's Corporate Affairs Director Wales, Felix Gummer, at a Carmarthen meeting in March.

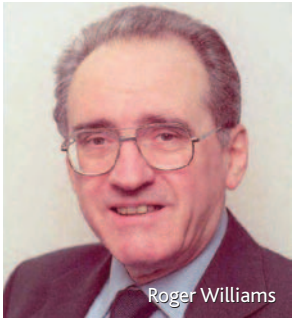
With 67 stores across Wales and employing more than 17,000 people, Tesco is Wales's largest private sector employer. It also has some 1,300 Welsh farmers supplying beef and lamb. Themes raised at the meeting included:

- Supply chain relationships with producers.
- Links with local communities and the impact of large stores on rural towns.
- The planning process for new stores.
- The exclusion of many older people in rural communities who have poor access to transport and the internet.
- The waste caused by packaging, multiple purchase packs and plastic bags.
- Food miles and CO_2 emissions.

Felix Gummer, son of the former Conservative UK Cabinet Minister, said Tesco was developing stores as eco champions, pointing to its Llanmsamlet outlet where 444 solar panels have improved energy efficiency by 35 per cent. Other actions to reduce Tesco's carbon footprint were:

- Increasing local supply, with a dedicated local sourcing office for Wales.
- Developing producer partnerships, such as the premium offered to local milk suppliers.
- Halving energy use in buildings by 2010 from a 2000 base line – a target that will be met in 2008.
- Introducing product carbon labelling.
- Cutting packaging by a quarter by 2010.
- Reducing plastic bag use by a billion in the last year.
- Limiting air freight to trade with developing countries.

more funding needed for university science


Roger Williams

Wales has just two years to make up a funding shortfall in higher education funding or face falling irrevocably behind England and Scotland in scientific research.

This warning was delivered by Professor Roger Williams, retiring chairman of the Higher Education Funding Council for Wales at an IWA Swansea Branch meeting in March called to debate the appointment of a Chief Scientific Adviser to the Assembly Government.

Professor Williams said the cost of appointing a Chief Scientific Adviser was "trivial" compared with the extra £40 million or so needed for Welsh higher education to bridge a funding gap with the rest of the UK. The current Welsh higher education budget is around £400 million.

"This is not an unsurmountable problem for the Welsh Assembly Government," said Professor Williams who retires from his post in early May. *"We have to realise that if we want a modern, technologically advanced economy it is vital that we have top class Universities that can compete with the rest of the UK."*

Earlier Professor Chris Pollock who has been charged by First Minister Rhodri Morgan to investigate the worth of a Chief Scientific Adviser had told the meeting that while the post could deliver significant benefits he had yet to be convinced these would outweigh the costs.

He was immediately challenged by Professor Sir John Cadogan, former Head of the UK Science Research Councils, who pointed out that the number of Assembly Government civil servants in Cardiff had risen from around 2,000 in 1999 to some 5,400 today. He said there was an overwhelming case for the appointment of Chief Scientific Adviser, ideally on a ten-year time-frame, who should be supported by a strong secretariat.

A key function would be to make the case for greater funding for the scientific infrastructure in Welsh Universities, without which Wales would continue to fall behind the rest of the UK in bids to the Research Councils. Professor Pollock, former Director of the Institute of Grassland and Environmental Research in Aberystwyth, who will report on his findings towards the end of this year, said a Chief Scientific Adviser could:

- Work with the Assembly Government to promote evidence-based policy making.
- Develop a challenge function to government initiatives.
- Establish start and finish groups of experts on particular issues.
- Represent the Assembly Government at the UK level, acting as an interface in negotiations over research and development.
- Take a long-term, horizon-scanning perspective.

However Professor Pollock added, *"We need a sense of proportion. Wales has limited powers. Whitehall will continue to make many decisions. The main objective may just be lobbying."*

future of the heads of the valleys


Kevin Morgan

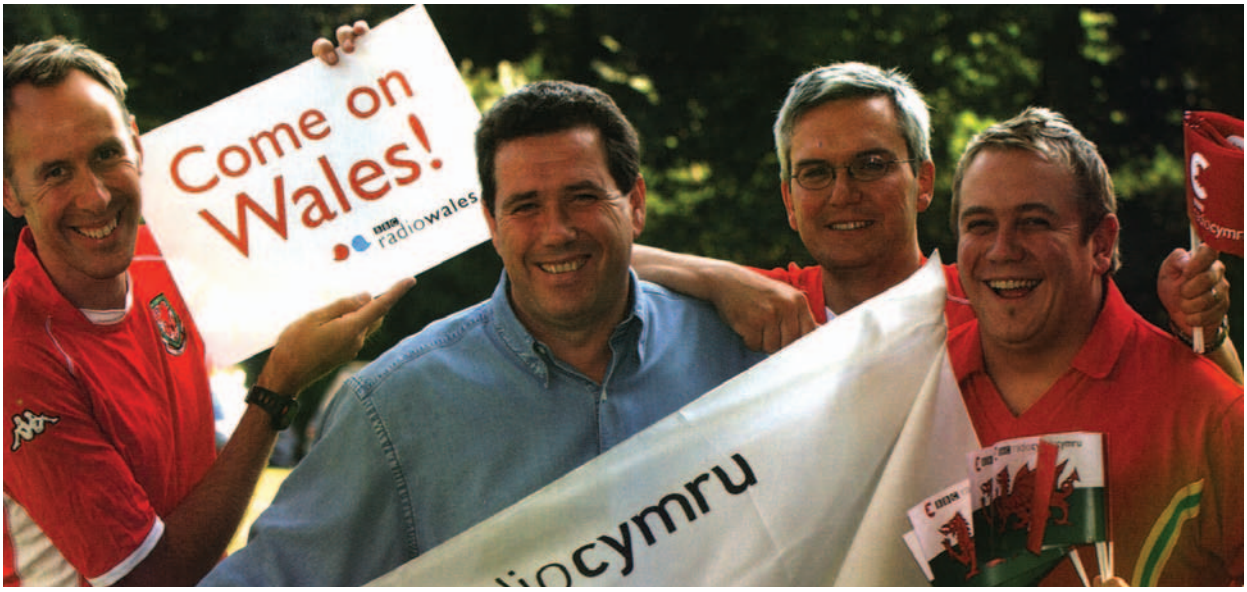
A steep decline in population of the heads of the Valleys in recent decades has been slowed over the past five years an IWA conference at Hirwaun heard in February. Professor Kevin Morgan, of Cardiff University, who has been analysing the trends for a forthcoming IWA publication, *The Heads of the Valleys Experience*, said they offered the prospect of rejuvenation after nearly a century of decline.

"The change is almost certainly due to lower house prices at the top end of the Valleys making them more attractive to low income families and first-time buyers," he said. *"The key challenge now is to devise regeneration policies that build on the strengths of the Heads of the Valleys in other respects."*

Other speakers at the conference, attended by more than 150 people, included Ieuan Wyn Jones, Minister for Economic Development and Transport, and Leighton Andrews Minister for Regeneration.

***The Heads of the Valleys Experience* is published in May, price £10 with a 25 per cent discount to IWA members.**

information gap



"The BBC plays a role in Welsh civic and public life quite unlike the one it plays in the other 'nations and regions' ... we need to think through the implications of this much more systematically than we have." Pictured are Radio Cymru presenters Steve James, John Hardy, Gareth Blainey, and Dylan Ebenezer.

richard wyn jones calls for a media commission to examine welsh communications and democracy

The term 'civil society' is a relatively recent addition to the Welsh political vocabulary. It was really only after devolution got going properly that its usage became widespread. By now I would wager that more ink has been spilled on the impact of devolution on civil society in Wales than on any other devolution-related topic.

In 1999 I published an essay jointly authored with Lindsay Paterson from Edinburgh comparing civil society in Scotland and Wales. We argued that while, in marked contrast to Scotland, civil society in Wales had played almost no role in the making of devolution, devolution might very well be the making of a Welsh civil society.

There certainly can be no doubt that, since the coming of the Assembly, a host of voluntary associations, as well as organisations and societies large and small, have sought to develop or bolster their Welsh presence and profile. In some areas the push towards the development of Welsh civil society institutions has been encouraged and supported – even financially – by the Welsh Assembly Government.

Whether encouraged by the Government or not, these organisations have often tried to use our devolved institutions in order to promote specific policy preferences, not only policies in areas that have already been devolved, but also policies decided and enacted at the UK or even European levels.

There is no reason to think that this on-going process will end or even slow down any time soon. To the contrary, the continuing empowerment of the National Assembly and the Assembly Government will surely ensure that devolved institutions will come to appear even more relevant to an ever greater number of actors.

Now lest I be accused of painting too rosy a picture, let me stress that there are all kinds of issues and problems surrounding the process that I've just described. To highlight only three.

- There are major resource constraints facing many Welsh civil society actors. This was put to me very nicely the other week in Edinburgh: "If an organisation has ten working in an office in London, there will be one in their Edinburgh office, and half a person in Cardiff." The ratio will of course vary from organisation to organisation, but I think that the general point will ring true for most of us.
- It is also clear that there have been problems at the interface between government and civil society. "Death by consultation" – or rather, "not another bloody consultation document!" – has become an all-too familiar refrain on the civil society side of that interface. While this phenomenon may well point to the existence of a 'tick-box approach' to consultation among some on the governmental side, one also suspects that it reflects a certain naivety on the part of civil society as well.

- Another problem is the real danger of 'policy capture'; the danger of an area of public policy being effectively taken over or high-jacked by a particular special interest group. This danger is greater in a context in which scrutiny is weak and the wider policy debate is noticeable largely by its absence.

This final point brings me to a huge caveat. By all means let us celebrate the developments that we've witnessed in Welsh civil society over the past decade. But be aware also that the comparatively positive reading that I've offered so far only holds true if we adopt an overly narrow definition of civil society. In Wales we've tended to reduce civil society to the voluntary sector. In fact, civil society is something much wider than that. And when one shifts to this wider optic, the view is much less positive or palatable to those of us who believe that a vibrant civil society is an essential ingredient to any healthy democracy.

Here's one fairly standard definition:

> *"Civil society is the network of institutions and practices in society that enjoy some autonomy from the state, and through which groups and individuals organise, represent, and express themselves to each other and the state. These include, for example, the media, the education system, churches, and voluntary organizations."*

Note in particular how pride of place is given to the media and the education system.

In the Welsh case, it is clear that devolution has had only a minimal impact on the media and higher education, in particular. This is deeply problematic, not only with a view to the development of Welsh civil society *per se*, but from the broader perspective of the health of Welsh democratic life.

Addressing this issue is, to my mind, at least as important in the long term as addressing the unresolved constitutional questions that we face. It is an essential next step for devolution. Moreover, contrary to what many seem to believe, these are issues that the National Assembly and Assembly Government can hope to influence – they have the tools, or at least some of them. So, indeed, do other parts of Welsh civil society. What is lacking, at present, is the recognition that it is a priority, and an alternative vision to unite around and promote.

The reporting and analysis of Welsh affairs in general, and our devolved institutions in particular, are dominated by two organisations, the BBC and Trinity Mirror. With the sad decline of ITV Wales as a serious provider of news and current affairs, the BBC is, effectively, the monopoly supplier of television news and current affairs programming. Indeed, given the weakness of the Welsh press, the BBC plays a role in Welsh civic and public life quite unlike the one it plays in the other 'nations and regions'.

Both Scotland and Northern Ireland have a lively 'regional' printed press. Neither are they completely invisible to the London or even international media. Northern Ireland is even well served by the media of the Irish Republic. None of this is true in Wales; which makes the BBC's role in Welsh life both unique and uniquely difficult. There are people at all levels within the organisation in Wales who are aware of this and the onerous responsibilities the position brings in its wake. But there is no evidence at all, I fear, that the same is true of the BBC's senior management in London. Neither does the Welsh arm of the BBC carry much weight in the BBC's overall managerial structure.

The BBC is, of course, the broadcaster for the whole of the UK. At the same time it is also Wales's national broadcaster: in an important sense it is our only broadcaster. Both the BBC and the rest of us need to think through the implications of this much more systematically than we have.

A Broadcasting Commission has been established in Scotland to consider a whole range of matters regarding broadcasting there. While I do not subscribe to the view that Wales should necessarily follow Scotland's lead in all matters – there are other routes and other examples, and we can even try to think for ourselves – in this case I do think that such a Commission would be very useful indeed in the Welsh context as well. Indeed it's difficult to think how else the necessary debate can be encouraged.

It is nigh-on universally accepted that newspaper coverage of Welsh affairs is pretty abject. The sterling efforts of some individual journalists notwithstanding, even basic news coverage is very patchy and superficial, while there is very little serious analysis. Now we all know that there are specific historical reasons that explain why the Welsh situation is different from the situation in, say, Scotland and Northern Ireland. History is, however, not necessarily destiny.

Two points seem particularly pertinent here. The first is that through its ownership of the *Western Mail,* the *Echo* and the *Daily Post,* Trinity Mirror is, again effectively speaking a monopoly supplier. You don't even have to have taken 'Microeconomics 101' to realise that this is problematic. Moreover, as those who have had to pay their advertising rates can attest, the company is benefiting handsomely from that monopoly position. Indeed, it would be an interesting exercise to discover quite how much income Trinity Mirror generates from the Welsh public purse and our civil society organisations.

This income represents – potentially at least – clout. It would be both helpful and appropriate if those institutions and organisations began to use this clout to produce a positive change in the newspaper industry in Wales. Now obviously there are important issues here that need sensitive handling – governments should be wary about trying to influence the media. Equally, however, when a market is not functioning, as is the case with the print media in Wales, and when the results of that market failure are having a negative impact on democratic life, I don't think that continuing to stand-idly-by should be an option either. Perhaps, therefore, the Broadcasting Commission should actually be a Media Commission.

Professor Richard Wyn Jones is Director of the Institute of Welsh Politics at Aberystwyth University. This article is an extract from a lecture given the Public Affairs Cymru at the National Assembly in January 2008. A full transcript appears in the May issue of the magazine Planet.

shrinking coverage

geraint talfan davies foregrounds an imminent debate on the future of Welsh broadcasting

Political debate in Wales tends to concentrate, for obvious reasons, on matters that are devolved to the National Assembly and the Assembly Government. Our engagement with wider debates can often be superficial or, at worst, non-existent. One crucial debate now underway is on the future of public service broadcasting.

Ofcom is currently embarking on its second review of public service broadcasting as required by the Communications Act 2003. The speed of technological change and, in particular, the imminence of digital switchover – where Wales is towards the front of the queue – means this review could be much more influential than the first in reshaping public service provision for the decades ahead.

It will certainly affect the future of ITV in Wales, but it could also determine the future of the BBC, and possibly S4C, not to mention the future of broadband provision throughout Wales. The BBC's licence fee – that has seen off aggressive challenges from competitors during the last two renewals of its Royal Charter – will face its most serious challenge yet. Whether you agree with the licence fee or not, any change to the BBC's funding, a cornerstone of the public service broadcasting system, will have incalculable effects.

For all these reasons it is incumbent on Ofcom and on organisations in Wales to ensure that our circumstances and needs are taken more fully into account than ever before. In the past, and often late in the day Welsh responses have tended to seek the amelioration of UK policy without always having a clear idea how this might be achieved, or how the pieces of an ever-more complex media jigsaw fit together. There is too much at stake in this next review for Wales to be able to rely on this approach.

A beginning has already been made. At the last Ofcom review during 2004-05 the interests of the 'nations and regions' were not a matter that was to the fore. As a result Ofcom produced a supplementary report a few months after its main report was published. This time the 'nations and regions' are a key component of the exercise, not least because ITV has been making so much noise about ditching its obligations to regional programmes and even to regional news. The BBC, ITV and Ofcom itself are all aware that Scotland and Wales could react strongly if their interests are ignored.

The Scottish Government has established a well-resourced Scottish Broadcasting Commission to develop its own thinking. The Welsh Assembly Government's Heritage Minister, Rhodri Glyn Thomas, has commissioned the Institute of Welsh Affairs to produce an audit of the media in Wales. In addition we hope to work with Ofcom during this summer's consultation period to extend public debate by arranging public meetings where discussion can draw on the audit's results.

The exercise needs to be approached from opposite ends of the regulator's telescope. Already many commentators are arguing that, given Wales's particular and distinct circumstances, the correct course should be to review all these issues from a Welsh

ITV Wales early evening news Wales Tonight presenters Andrea Benfield and Jonathan Hill: how long will they be on our screens?

perspective in order to identify what might be the elements of a media policy for Wales and then to see how UK policy might be shaped to accommodate that, rather than simply *vice versa*. It's not that some accommodation between both views will not be necessary, but we need to be clear about the compromises that have to be made, and certain that the burden of those compromises is being fairly shared.

The distinctive circumstances of Wales – two living languages, sparse population, difficult topography, multiple deprivation, extensive poverty both urban and rural, the scale of broadcast and print media markets, external ownership – more than justify a closer look at how Wales is served by the media. The advent of the National Assembly has made many in civil society even more aware of the importance of informative and competitive media to the development of Welsh public life. This review of public service broadcasting is about our needs as citizens, and not just our appetites as consumers of television and radio.

Its terms of reference are as follows:

- To evaluate how effectively the public service broadcasters are delivering the purposes and characteristics of public service broadcasting, particularly in the light of changes in the way TV content is distributed and consumed.
- To assess the case for continued intervention in the delivery of TV content to secure public service purposes.
- To consider whether and how the growth of new ways of delivering content to consumers and citizens might create new opportunities for achieving the goals of public service broadcasting, as well as posing new challenges.
- To assess future options for funding, delivering and regulating public service broadcasting, in light of these challenges and opportunities, and uncertainty about the sustainability of existing funding models.

These four sage headings mask a range of first order questions that will have an impact on every household's habits and knowledge. What technologies are Wales going to rely on in the future? Is a large section of the Welsh population going to remain significantly and permanently disadvantaged in terms of television, radio and broadband coverage? Are the heady claims made for the digital world going prove illusory in our hilly country?

Is Wales going to be reliant only on the BBC for the bulk of its broadcast news provision? Is ITV going to be allowed to withdraw completely from Wales? Are we within a year or so of seeing an end to Trevor Fishlock's *Wild Tracks*, or *The Ferret* or even *Wales This Week*? Can independent radio ever develop the strength to compete editorially with BBC Wales? What is the future for journalism in Wales, in print, in broadcasting and online? Are the narrow niches of broadband an adequate replacement for the wide appeal of traditional broadcasting? And what of the future of S4C as it fights for an audience in a multi-channel world?

These are issues that demand the fullest public debate over the next year. The IWA will ensure that the public does not lack for information.

Geraint Talfan Davies is Chair of the IWA and former Controller of BBC Wales. His book, At Arm's Length *has just been published by Seren.*

converged world

elin haf gruffydd jones on connections between the welsh language press and webcasting

If all goes according to schedule, in 2010 Wales will be the first of the UK's nations to have switched entirely to a digital television service. Also by 2010, the Welsh language press will be in the second year of the three-year funding cycle announced by Heritage Minister, Rhodri Glyn Thomas in February. It was this same announcement which made it clear that the government was doing a U-turn on the second half of its commitment in the *One Wales* coalition agreement to "expand the funding and support for Welsh-medium magazines and newspapers, including the establishment of a Welsh-language daily newspaper."

The connection between digital television and daily newspapers can be summarised in two words: plurality and convergence.

In its May 2007 *Nations and Regions Communications Market* report, Ofcom noted that in the case of Wales concerns were being raised about 'citizenship and democratic inclusion' due to two factors in particular: the failure of Welsh news being reported in UK network services and "the lack of a significant indigenous press in Wales".

A major piece of research is underway to examine the reporting of devolved matters in network television news and it is likely that the weakness of the press in Wales will be identified again as a factor to be taken into account in Ofcom's current Statutory Review of Public Service Broadcasting.

In terms of plurality, predictions are that the news agenda in Wales will soon be set by a duopoly: the BBC and Trinity Mirror. ITV's commitment to Wales has already been reduced, with non-news Welsh production down from four to three hours per week from January 2009. Furthermore, the future of news and current affairs is on shaky territory and there is speculation from reliable sources that production may cease altogether within the next two years. Either way, we won't have to wait long to find out what ITV will deliver in the post-analogue reality. In the digital world, no broadcaster apart from S4C and the BBC is required to produce Wales-specific programming.

As for the print media in Wales, there is not a single newspaper that is truly national in its coverage. The next best thing is the *Western Mail* and *Daily Post* which cater to specific geographical areas of the country and which both belong to the same newspaper group Trinity Mirror. This is not even close to plurality.

In the post analogue world, there is talk of two options for funding plurality of public service content: top-slicing the BBC's licence fee and introducing a digital or convergence levy on operators. However, neither option will be painless. The first does not really replace the funds available for public service production after ITV's withdrawal from the scene. In effect it is 'robbing Peter to pay Paul'. The second option requires astute political thinking and very determined action. After all, in a converged world this levy should include Google as well as Sky.

Whatever the future for these options the specific Welsh remit will still have to be worked out. In a converged world, a newspaper operation could make a bid for converged content funding. Would this mean the end of the traditional dichotomy that has existed in Britain between a willingness to provide public funds to ensure plurality and public service in broadcasting and a resistance for such an arrangement for the printed press?

Reports of the imminent death of the newspaper may well have been exaggerated. In the Cardiff School of Journalism report *Turning round the Tanker: Implementing Trinity Mirror's Online Strategy*, Rupert Murdoch is reported as saying that the "future of newspapers should be a long, slow, managed, profitable decline". Indeed, News International has just invested £650m in its printing operations, including in March opening a brand new 12-press, printing plant, the size of 23 football pitches, in Broxbourne. The Cardiff research also makes reference to the American academic Philip Meyer who, in his book *The Vanishing Newspaper*, observes with enviable, if dubious precision that "by my calculations, the last reader will disappear in September 2043". The writing does not seem to be on the wall just yet.

Dyddiol's plans for *Y Byd* to become a major player in the Welsh media landscape were unashamedly ambitious. Certainly, *Y Byd*'s existence would have been a key contribution in terms of both plurality and convergence. The plans were frequently referred to as a 'dream' by people who accepted the shamefully stagnant state of the Welsh language press. After all, what has happened in the past twenty years or so? In 1984, *Golwg* was established, by and large replacing *Y Faner* as a weekly publication. Since then *Y Cymro* has changed hands, *Yr Herald* has ceased to exist as a stand-alone regional weekly, and is now a feature supplement with the *Daily Post*. This is hardly headline material.

For those closely involved in the venture to establish *Y Byd*, it was less a 'dream' and more of a plan of action. As a new media operator *Y Byd*'s aim was to become an authoritative, independent voice – the voice of a national newspaper, and yes, with online and print editions from the outset. In fact, the subscriptions were either for online-only or dual medium (online and print) and – for the record – there was never a 'print-only' option, other than to buy the paper off the shelf. For most other newspapers, online content started as a by-product of print editions, and the sector is now moving to simultaneous multi-platform origination. *Y Byd* had the advantage of being able to plan for this right from the start.

"Whatever the options for Dyddiol Cyf as a company now, Y Byd *is certainly a brand, if not yet a product ..."*

Over the years, well-wishers and others have suggested that the company 'just publish it on the web' in order to solve distribution problems (which was the favourite stumbling block at one point) and reduce printing costs. If there is one thing that the newspaper industry is agreed upon, online editions are not yet viable. Insiders report with unerring consistency that no UK paper gets more than 10 per cent of its income from the web.

The online business model is just not there yet, and the reason is this: the real cost of a newspaper is editorial. Printing and distribution costs generate an income stream, and at present, editorial content of online editions is subsidised by the print edition. Reduce the editorial cost and what you get is interactivity, blogging, citizen journalism – important, yes, but no substitute for professional journalism. Interestingly enough, the question being asked by UNESCO UK to mark this year's World Press Freedom Day on 3 May was: Is new media killing journalism? Probably not, but journalism needs to be sustained as a profession across all media and journalists need to be paid. We need to tread carefully, and to think twice about both the business case and the journalistic justification for seeing the internet alone as 'the way forward'.

Barriers to entry for online media are indeed low but maintaining and sustaining income streams are still problematic. Barriers to entry in print (or dual versions) are higher. The capital investment to start *Y Byd* was sought by a kind of 'community capitalism' or 'social entrepreneurialism' where citizens took the matter in their own hands, and pockets. This was not as dramatic as political action but was deemed a modus operandi more suited to the new, democratic Wales.

Whatever the options for Dyddiol Cyf as a company now, *Y Byd* is certainly a brand, if not yet a product, representing a forward-looking, multi-media, aspirational, inclusive Welsh-language medium which is not controlled by public corporation or remote private capitalism. The business plan – which has been the subject of comment by people who cannot ever have seen it – did include public funding via grant and recruitment advertising.

The Welsh Language Board's independent review into *The Welsh Language Print Media* ('The Bianchi Report') quotes £600,000 to £1m as the projected annual grant for *Y Byd*. The report goes on to recommend "that priority be given to ensuring adequate funding levels at the outset, in order to help the publisher maximise other revenues". Trinity Mirror's business plan no doubt also includes a substantial element of public funding through the placement of public sector advertising and public notices, over which it, de facto, currently has a near monopoly.

Others believed that it was high time that the Welsh language had an addition to its repertoire of social tools and institutions. They judged that a big, ambitious project was needed to boost the relevance and vibrancy of the language in daily life in Wales whilst also reaching the diaspora. During the developmental stages of *Y Byd*, former BBC correspondent Guto Harri said, "If half a million Welsh speakers cannot sustain a daily newspaper, we need to ask ourselves why, and expect a dismal answer."

Back in July 2007, with the publication of the *One Wales* agreement, it finally seemed as if everything was coming together for *Y Byd*. In two years' time, when analogue switch off takes place, democracy in Wales will be in no less need of *Y Byd*'s ambition and independent voice. The switch to digital has been at times a bumpy ride over the past ten years, but it is by now close to achieving its aim. If we truly believe in plurality and convergence, it's high time to get our act together.

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murphy's law

alan trench looks at the crowded in-tray of the new Secretary of State for Wales

A lot has changed since Paul Murphy last sat behind the Secretary of State's desk in Gwydyr House. Labour is now in coalition with Plaid Cymru in Cardiff Bay; the National Assembly is accruing legislative powers, and a referendum on primary powers is on the horizon. Peter Hain has retired to the back benches (at least for now), and Labour's internal divisions on devolution are a common topic of political discussion.

Rhodri Morgan and Dafydd-Elis Thomas may be familiar faces as First Minister and Presiding Officer, but the context in which they – and Murphy – have to operate has changed a good deal. And the Secretary of State's in-tray is pretty full, mostly with constitutional business arising from the actions of his predecessor.

The first item is the general one of the restiveness of many Welsh Labour MPs, important in itself, but also as the backdrop to much else. Their long-standing scepticism about devolution has not abated, while the coalition with Plaid has increased their misgivings. Their grumblings at Westminster may be nothing more than that, but the Government of Wales Act 2006 gives them many chances to involve themselves in decisions about devolution.

Of course, Murphy shares the background and general outlook of these MPs. The big question for him is how he deploys his sense of what is realistically achievable, and his diplomatic skills in dealing with his fellow MPs, the National Assembly and the Assembly Government. But this is quite a conundrum, which involves issues of Labour party unity and interest, constitutional propriety, and a complex set of institutional arrangements. None of this is of Murphy's making.

Next, there is the question of legislative powers for the Assembly. Under the 2006 Act Legislative Competence Orders (LCOs) need approval at Westminster, and are also to be subject to 'pre-legislative scrutiny'. That scrutiny not only adds to the time it takes for LCOs to be made, but gives a further opportunity for MPs to look at Assembly policy as well as the constitutional issue of whether it should have the powers it seeks or not. The lack of clarity about how far MPs should go in scrutinising the Assembly's initiatives in utilising its new powers makes an awkward situation worse. Further, this may be aggravated by devo-sceptic Tory MPs who may seize the chance to make mischief with their Labour counterparts.

The political dilemma here is a tricky one. In fact, even those who do not want to see a stronger National Assembly might find their best interests served by a generous approach to LCOs. At this point, the alternatives are an Assembly with limited but growing legislative powers, or one with 'primary legislative powers': either half a glass, or a full one.

If the present system can be shown to deliver what Wales needs when it needs it, that weakens the case for a referendum and a move to primary powers. Frustrating calls for legislative powers, granting such calls in a restrictive way, or imposing conditions and exceptions on them shows that the present system does not work – and strengthens the case for primary powers. So anyone who wants the new arrangements to work has a strong interest in ensuring that generally the National Assembly can get the legislative powers it seeks without being unduly incommoded by Westminster. That does not mean it should always get its way, but that Westminster should presume in favour of requests from the Assembly and oblige them whenever possible, rather than subject those requests to strict proof of their value.

In any case, close and hostile scrutiny of Assembly proposals is dangerous not just constitutionally, but politically too. It means that if an Assembly policy fails to work, it will be Westminster and not just the Assembly that gets the blame. Would a sensible MP really want to be blamed for what she or he can't control?

Even making the new arrangements work well at Westminster will not help resolve another issue about legislative powers that probably isn't on Mr Murphy's radar, but should be. This is the confusion into which Schedule 5 of the 2006 act is already descending, after only six months of use. Schedule 5 sets out the 'matters' over which the Assembly has legislative powers, as LCOs (or Westminster Acts) add to them. The problem is that there is no guarantee that powers will be expressed in ways that are clear or consistent, or map onto those in Schedule 7 (the 'primary legislative powers' the Assembly would get after a referendum). Already the Schedule is hugely complex to read, some areas granting broad generous powers and others limited or narrow ones. It is now nearly as hard to work out what the Assembly's powers are as it was before May 2007. What this will be like in four years' time, unless someone ensures there is consistency in approach, is alarming to consider. If anyone is going to ensure that consistency, the Wales Office is first in line.

As if this were not enough constitutional business, there is also the question of a referendum on primary legislative powers, and the role of the All Wales Convention to be chaired by Sir Emyr Jones Parry. Will the convention stick to the narrow agenda many in Labour would like, and simply talk about the desirability of primary powers and (in effect) the timing of a referendum? Or will it also talk about the unfinished business of the Richard Commission report, and the problems that arise from the way the report was cherry-picked to produce the powerful political compromise of the 2006 Government of Wales Act?

The biggest question is the size of the Assembly. This is already an issue since, with only 44 backbenchers, there are problems staffing committees. If there are to be separate committees for each measure or LCO as well as subject and statutory committees, AMs are going to find themselves increasingly stretched to do all that is asked of them. It will be hard to keep the agenda of the Commission so limited, even if all that is likely to be on offer in the near future is Part 4 of the 2006 Act, with 60 members, a continued ban on dual candidacy and a potentially powerful role for the Secretary of State in the National Assembly.

Then there is the forthcoming appointment of an Assembly Commission on Finance to consider the Barnett formula and taxing and borrowing powers. This has gone very quiet since it was announced just before the coalition was formed, last June, but we can expect a chair to be named soon. The Assembly Government is clearly in no hurry to press the issue. However, London cannot ignore it forever, not least because finance is also one of the strands of the 'Scottish Constitutional Commission' proposed by Wendy Alexander before Christmas, and now adopted by Gordon Brown as a London-run 'review'. Tellingly, when Brown announced his support for the review in a BBC TV interview in February, he insisted that Barnett was a UK-wide formula. At the same time, however, he implied that questions of the scope of devolved powers for Scotland were a bilateral matter, not affecting Wales. This creates an extra degree of urgency for the Assembly Government to get their Commission underway, so it can influence the London debate. While the lead on this is within Wales, it means that the Wales Office will have to engage with issues from which it has generally been at a distance.

Finance is going to move to the constitutional centre stage in the next few years, and finding a system that takes adequate account of Wales's needs while giving Scotland a measure of fiscal autonomy (and not inviting political annihilation for Labour by savagely cutting the Scottish block grant) will be a tricky balancing act for any UK Government. Making sure that a new system is seen as fair in England makes it all the harder.

One item that will seem more familiar is the planned revival of meetings of the Joint Ministerial Committee, to give more of a structure to intergovernmental relations. Placing Paul Murphy in the chair has added another job to his in-tray, although for a man of his skills it is unlikely to be onerous – and as full-time Secretary of State he has time for it. Again, this is not an issue of his making, but it is surprising how long it has taken for London to agree to a proposal made by the SNP as it took office last May, and which many others had recommended for years. In Murphy's first incarnation as Secretary of State for Wales, plenary and functional JMCs were fairly common events, so getting back to that may not seem like much of a change.

But in all this, there is the understandable desire of Labour politicians to secure political advantage for their party. A wise politician will be looking ahead, to the real prospect of the Conservatives being in government in Westminster by 2010, perhaps in a minority or in a coalition. What would best serve the interests of Labour in Wales then? Would it be a complex settlement which gives London ample opportunity to obstruct what the devolved government wants to do, or a clearer divide that enables Labour to make the most of its strength in Wales, even if it can no longer expect a monopoly on power?

What transpires in the next couple of years will be profoundly important when that happens – and it will, sooner or later. In all of this Paul Murphy – as a skilled and patient negotiator, who is widely trusted – may be better placed to deal with the implications than Peter Hain.

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eurfyl ap gwilym says London decisions have a perverse impact on the Assembly's funding options

facing reality

Some years ago First Minister Rhodri Morgan talked of there being 'clear red water' between his policies and those of Labour in London. In practice, his freedom of manoeuvre is severely constrained by UK Government policy decisions whose impact on Welsh funding can lead to perverse consequences.

A useful starting point is to review one of the six principles claimed to underpin the 'progressive consensus' of the Labour-Plaid coalition government. These were described by Mark Drakeford, Rhodri Morgan's Cabinet health and social policy adviser, in the Winter 2007 edition of Agenda. The principle in question is 'universal rather than means tested benefits'.

In this respect Welsh Labour aspirations are often in conflict with the Labour government in London. Since coming to power in the UK in 1997 Labour has steadily moved away from universal public services. Instead, it has pursued means testing, continuing a trend set by the previous Conservative government.

One small example is the issue of prescription charges. Prior to 1997 there had been an escalation in the charges made for prescriptions. Of course, because of means testing only a small proportion of prescriptions were paid for at the point of dispensing. Young children, those on low incomes, and pensioners were exempt. In practice this meant that most of the people paying for prescriptions could afford to do so.

One of the Assembly Government's early acts was to abolish prescription charges across the board at an estimated annual cost of £30 million. It is unclear whether or not allowance was made for the increased take up of prescriptions once they became free at the point of delivery.

Now £30 million is quite a modest sum when compared with the Assembly's annual budget of £14 billion. Yet, because the Welsh government has no tax raising or borrowing powers there was no question of the cost of this policy being paid for through increased taxation or additional borrowing. Given these constraints the question arises as to whether or not this was the best use of the £30 million of tax payers' money. Should we be subsidising middle income people or should we spend the money elsewhere to support those with greater needs?

Another example of the pressures that the present devolution arrangement places on government is university tuition fees. In England universities are now allowed to charge tuition fees of up to £3,125 per student per year. Many leading universities are calling for a sharp rise or removal of this ceiling. Student paid tuition fees are becoming a significant and increasingly important source of funding for English universities.

However, top up fees are not levied on Welsh students. This means that either universities have to be compensated by the Assembly Government for this loss of income or they will suffer under-funding compared with their counterparts in England. It was estimated by the Assembly Government 2005 Rees Review in student support that Welsh universities were

"Is it better to subsidise university students who are drawn principally from middle income families or would the money be better spent elsewhere?"

already experiencing under-funding compared with England to the tune of at least £50 million a year. And this was before the introduction of top-up fees in England

Of course, public expenditure on education in England will be lower than would otherwise be the case because universities are now receiving income from top-up fees. This lower growth in English education funding is reflected in the Barnett consequential for Wales. It means that the Assembly Government receives lower growth in the block grant than would otherwise be the case.

As was shown in the Rees report it is difficult to derive an accurate estimate of the income foregone by universities in Wales due to the absence of top-up fees. However, it is of the order of £50m a year. This compares with a total income for the higher education sector in Wales in 2002-03 of £660 million. If this shortfall of university funding is made good by the government then other budgets have to be reduced by a corresponding amount.

Given that approximately 70 per cent of the block grant is spent on health and education, it is other parts of these budgets that will have to be cut. This raises a number of questions. Is it better to subsidise university students who are drawn principally from middle income families or would the money be better spent elsewhere? It could be directed at pre-school nurseries where evidence points to this being the crucial stage when children from poorer backgrounds often fall irrevocably behind those from better off families (see for example, the Sutton Trust report, *Recent Changes in Intergenerational Mobility in the UK*, 2007). Subsidising university graduates at the expense of children from poorer backgrounds could be viewed as a perverse priority for any political party claiming to be 'progressive'.

Another striking example of divergence of policy between governments in London and Wales which leads to disturbing consequences is the response to the Private Finance Initiative (PFI). There is a cogent case to be made against PFI and it is fortunate that, particularly in the early years of the policy, Wales avoided it on any significant scale. Cases of profiteering on the one hand and the failure to transfer risk from the public sector to the private on the other, are well documented.

In the case of risk transfer the latest example is Metronet, the private consortium with responsibility for much of the London underground. Metronet's failure in 2007 has led to the taxpayer having to pay £1.7 billion to the banks that loaned money to Metronet on the back of government guarantees. If there had been no Treasury guarantee the private sector would not have advanced the loans because the venture was deemed too high a risk.

Even so, it is disappointing that the Assembly Government has failed to come up with an imaginative alternative to PFI. As was reported in the Summer 2006 issue of *agenda*, capital investment by government in the public sector in Wales has lagged behind England and Scotland since 1997. This shortfall is even starker if the investment arising from PFI were taken into account. The total capital value of PFI projects in Wales of £593 million is only 1.0 per cent of the UK total although we have 4.92 per cent of the population. Put another way, had capital investment in Wales from PFI matched that in the rest of the UK there would have been an additional capital investment in the public sector of some £2.3bn.

Greater use of PFI by England and Scotland means that in the shorter term, compared with Wales, more capital investment in the public sector takes place within a given public spending envelope. This means that capital investment in the public

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sector in Wales in devolved sectors such as education and health will suffer relative to England and Scotland unless an alternative funding mechanism is found. This has been the case in practice. According to Treasury figures, between 1999 and 2007 capital investment in health in Wales was 4.56 per cent and education 4.27 per cent of England's. Wales's population is 5.87 per cent of England's. These figures understate the true disparity because only some PFI projects are counted by the Treasury as being public sector investment with the remainder being 'off balance sheet'.

It should be possible for the Assembly Government to come up with an alternative to PFI which would utilise funds from the private capital markets whilst meeting both the need for such investment to be off the public sector balance sheet, a consideration dear to the Treasury, and finding answers to the criticisms of those opposed to PFI. This second concern could be met by leaving the management, running and servicing of the assets to the public sector.

Professor Brian Morgan has shown how this could be done, writing in the Spring 2006 issue of *agenda*. A long standing example of this sort of funding approach is to be found in the Nordic countries. Kommuninvest has been in existence for twenty years and raises funds in the private capital markets for investment by local authorities in Sweden. In 2006 Komuninvest raised $5bn for such investment at attractively low rates of interest (the loans are AAA rated).

It is noteworthy that the Scottish Government has just published a paper floating the idea of a Scottish Futures Trust which would raise private money in a similar way. This closely parallels proposals made by Plaid Cymru in the run up to the last Assembly elections. However, the development and execution of such ideas has been painfully slow.

What is the reason for such a lack of imagination? Perhaps too many politicians in Wales have yet to come to terms with the opportunities and constraints arising from devolution. At the UK level it is perfectly reasonable to advocate the abolition of student top up fees and the raising of taxation to cover the additional funding required. This option is simply not open to us in Wales.

In the case of capital investment there has been a failure to face up to the consequences of the PFI approach being adopted in England and Scotland and its adverse impact on funding for capital investment in the Welsh public sector. Are too many politicians in Wales unwilling to differentiate between polices which might make sense in the case of a government which has taxation and borrowing powers, but which do not in our situation where we have discretion over spending but none over taxation and borrowing? Now that the rapid growth in public expenditure is at an end it is time for members of the National Assembly to face up to some of the realities of devolution. After all, who was it who said that "politics is the language of priorities"?

Eurfyl ap Gwilym sits on the boards of a number of public companies and is a Plaid Cymru finance adviser.

smouldering bonfire

LG was not the WDA's finest hour: in 1997 the Korean company promised to invest £1.7m in semi-conductor and TV monitor plants that would have created 6,000 jobs in Newport. But the project was negotiated just at the moment when global economic pressures were fatally undermining a strategy based on inward investment.

nick morris reflects on the reverberations of the WDA's demise two years ago

In July 2004 Rhodri Morgan said: "Today marks the end of the quango state as we have known it." The rationale for the absorption of one of the largest quangos – the Welsh Development Agency – was that accountability would be increased, service delivery streamlined and that there would be greater opportunities for staff.

Before the WDA was absorbed into the civil service in April 2006 its nadir came in 1994, when it was called before the Public Accounts Committee in Westminster. Welsh Labour and many others thought the quangos represented the worst of Tory Government in Wales, when public appointments often lacked transparency. In 2004 Carwyn Jones, then the Assembly Government's environment minister, provided the first hint that the 'bonfire of the quangos' was coming. His IWA pamphlet, *The Future of Welsh Labour*, argued that the contemporary structure of Assembly Sponsored Public Bodies was "superfluous". He also argued that their functions should be absorbed because Ministers were ultimately responsible for economic development.

However, there is evidence that the foundation of the Assembly in 1999 dealt with the issues of transparency and openness that underpinned the Assembly Government's arguments. The Assembly Government's consultation report on its proposals for the WDA mentioned the greater transparency in appointments:

> *"...many of the respondents referred to the Welsh Assembly Government's responsibility to abide by the Nolan principles of having a fair and open public appointments process."*

The report also mentioned positive comments about the contemporary state of openness:

> *"Many respondents stressed that the current level of openness on policy development and decision making within Assembly Sponsored Public Bodies should not be reduced..."*

Opinion is divided among Assembly Members about the consequences of the WDA's absorption for scrutiny of economic development. The separation of the former National Assembly into the Assembly Government and the Assembly Commission (representing the Assembly as a legislature) means that ministers no longer sit on the committees that scrutinise their portfolios. Instead, ministers attend committee meetings by request to discuss specific issues and inquiries. Ministers also answer questions in the Senedd chamber.

Alun Cairns, the Conservative Chair of the Assembly's Finance Committee, and a critic of the WDA absorption, believes the process has made scrutiny of the Minister more difficult. He argues that the previous formalised scrutiny sessions of the WDA's Board, together with scrutiny of the Minister, offered a more open system. Bringing economic development directly into the Assembly Government has had a number of consequences for service users. The Economic Development and Transport Department now covers a wider range of activities, enhancing the potential for greater 'joined-up' policy-making and implementation.

Some consequences have been unexpected. According to Russell Lawson, from the Federation of Small Businesses in Wales, the coalition talks in Summer 2007 directly affected the ability of small business organisations to communicate with the Assembly Government with a *joint* rather single voice. The Institute of Directors voiced frustration about delays: the Business Wales consultation was received in February 2008, almost eight months after the Assembly Government was formed; and the first Business Partnership Council meeting in the Assembly's third term is scheduled for May 2008 (twelve months since the last meeting). The institute's director,

Roger Young, thinks the delays have been too long. David Rosser, Director of CBI Wales, claims there has been "remarkably little change" for business support service users and that the results in this area of streamlining are yet to become apparent.

Changes in the emphasis of economic development have occurred, partly because of the evolution of the global and UK economies. In the pre-Assembly WDA, inward investment was the main focus, connected to Wales' contemporary strength in semi-skilled and factory-based labour. However, competition increased over time from large workforces in emerging economies – that is, cheaper labour abroad and increased competition for jobs in Wales from migrant workers (though assessments of the latter are difficult, owing to the shortage of reliable data).

At a European Union level there has been interest in building 'knowledge economies', a theme adopted in the Assembly Government's 2006 policy document *Wales: a Vibrant Economy*. Even before the inception of the Assembly in 1999 the WDA had been shifting emphasis towards indigenous business support but Russell Lawson argues the WDA "never got the chance" to develop a presence in the small business community.

When the WDA was absorbed into the Welsh civil service many believed there was a change of culture and feared a more risk-averse environment that would not be conducive to encouraging entrepreneurial activity. Certainly, some WDA staff left the organisation and one former employee said the changes 'neutered' the WDA.

The Assembly Government's merger consultation said the WDA's agri-food activities were a successful part of its operation. Rufus Carter, Managing Director of Patchwork Traditional Food in Ruthin, said the company owed a lot to WDA support and he was initially sceptical about the new arrangements. However, he says that, following the transition, services have been rationalised in the Food and Market Development Division. "Civil servants in the division have adapted well to serving businesses and are helping Patchwork built its markets abroad," he said.

Others have not shared this view. In February 2008 Mike Bandeira, from the Excel Holdings venture, wrote a letter to the First Minister, Rhodri Morgan, criticising the application process for regional selective assistance. He said: "I am withdrawing my interest in establishing a bridgehead here, and have stood steadfastly by the project – something you and your Government have failed to do." He continued: "There is a serious failure in culture in your government; you don't understand, respect or value the entrepreneur."

There are also unresolved questions about the Assembly Government's approach to the Entrepreneur Action company, that was contracted to deliver business support for the Assembly Government but put itself into liquidation in February 2008. An anonymous letter to the *Western Mail* by an 'EA insider' claimed that the requirements placed on Entrepreneur Action's High Growth Programme "meant that the delivery of HGP was 'macro-managed' by [the Assembly Government] and proved substantially more expensive than originally envisaged."

In response to Mike Bandeira's criticisms the Assembly Government emphasised its responsibilities to the public: "Grant aid is money from the public purse and the Assembly Government has an absolute duty to ensure that offers of assistance meet standard criteria." This example shows at least how the Assembly Government is now held solely responsible for economic development decisions.

Saving public money was also one of the justifications for the WDA merger. The staff streamlining and departmental efficiency measures forecasted by the Assembly Government arose in the context of tighter public spending across the UK. In 2004 two Whitehall documents – the Treasury Spending Review and the Gershon review — signalled tougher financial conditions and recommended savings and rationalisation of the civil service.

Funding pressures in the early part of the Assembly's third term prompted Andrew Davies, Minister for Finance and Public Service Delivery, to call for a "bonfire of inefficiency" when he outlined the Assembly's Budget in late 2007. Between April 2006 and January 2008 economic development department staff were cut from around 1,650 to fewer than 1,200. In late January 2008 the Assembly Government consulted about a further efficiency drive in the department, which reputedly involved around 90 staff reductions through non-replacement and voluntary redundancies. Such cuts almost certainly bring financial savings but their effect on functionality is less certain. Rufus Carter from Patchwork foods has concerns about the leaner, more efficient structure of the Food and Market Development Division. He fears it now has a smaller capacity to absorb staff absences, periods of leave and similar disruptions.

Only a partial picture of the staff cuts has emerged and little has been said in public about staff morale. The bulk of discussion in the public domain has stemmed from leaks. There were, for example, anonymous claims reported in the *Western Mail* alleging problems in assigning around 70 staff to permanent positions across the Assembly Government civil service. The author was also concerned about the implementation of a new IT system and the monitoring of temporary staff levels.

In many areas the effects of the WDA's absorption are still to become fully apparent. For example, in the run up to the WDA change the Assembly Government anticipated the most significant efficiency gains would be made from 2009. In April 2008 the Assembly's Audit Committee concluded that many efficiency savings "appear to be financial cuts to baseline activities, rather than genuine efficiency gains." However, it acknowledged a number of "important successes" overall. It is, also, perhaps too early to assess the combined impact on the Assembly's scrutiny procedures of the WDA absorption and the Government of Wales Act 2006 provisions.

Meanwhile global economic growth appears to be slowing. The resilience of the Welsh economy, together with the effectiveness of the Assembly Government's economic development policies, will be severely tested in the coming months. In the process it will become clearer whether the demise of the Welsh Development Agency has, in the long run, helped or hindered the Welsh economy.

Nick Morris is Research Officer with the IWA.

random politics

gary hicks says, like the poor, the lottery will always be with us

They had kisses in plenty – but what were all these
For kisses would not supply bread to the cheese
So John Morgan and Winifred both felt a wish
For a Lottery Ticket from Thomas ap Bish

So began the verse on a bilingual handbill entitled *The Maid of Llangollen* and distributed in Welsh towns like Caernarvon and Welsh Fairs in London to promote a St. David's Day lottery drawn on Saturday 1 March 1817. The draw, with just 3,000 tickets and a top prize of £15,000, was marketed as 'the smallest lottery ever' by Thomas Bish, a figure totally forgotten today but well-known then as a publicity-mad national lottery entrepreneur. Unfortunately for this advertising genius, nine years later William Wilberforce succeeded in his long campaign to abolish lotteries which had become irrevocably mired in fraud and corruption.

Parliament finally voted to put an end to the State lottery but permitted one last fling, marketed as "positively the last lottery that will ever be held in England". Amid extraordinary scenes, this took place on Thursday 18 October 1826 at an over-crowded Cooper's Hall in London. Evangelists rejoiced that Britain was rid of the scourge of lotteries forever. But it was never going to be that easy.

A contemporary cartoon of the "publicity-mad" lottery entrepreneur Thomas Bish.

Lotteries have been around since we learned to count. The Ancient Egyptians, Assyrians and Norsemen all used dice for the casting of lots. According to the Old Testament, Moses distributed land west of the Jordan river by lot. In the New Testament, one of the apostles, Matthias, was chosen by lot to fill the place of Judas Iscariot. And Roman soldiers cast lots for Christ's garments at the Crucifixion.

A primitive lottery of coloured broad beans drawn by a priestess decided the fate of kings and empires at the Delphic oracle in northern Greece for 1,000 years. Much more sophisticated lotteries were used by the Greeks to elect all their politicians and civil servants, and by the Romans to rebuild Rome after the Civil War.

Today, two out of three adults regularly participate in the UK National Lottery, which has raised more than £20 billion for good causes. In Wales this has ranged from a £6,000 grant to prolong the life of what was our smallest cinema, a converted railway carriage near Swansea (now sadly closed), to large awards such as the £1 million granted to the National Library to digitalise its contents.

The world's lottery market now amounts to more than US $200 billion in annual sales; some 140 state lotteries flourish in 75 countries; and the prospect of a global lottery with a £500 million top prize is no longer a fantasy. Wilberforce must be spinning in his grave.

In earlier times in the UK lotteries built the British Museum and Westminster Bridge, provided London with its first clean drinking water, helped pay ransoms to redeem British slaves on the North African Barbary coast, and saved the colony of Virginia, Britain's first permanent settlement in North America, from extinction.

In the United States, using the game for the public good dates back to colonial days when it was a substitute for taxation. Following the Revolution, it funded worthy schemes, including Harvard and Yale universities. Today, 210 million Americans play the lottery which provides more than 250,000 jobs in 38 US states. Since its resurrection in 1964, a staggering total of US $200 billion has been raised for government spending.

Fans argue that what is happening now only reflects, though on a much wider and sophisticated scale, the kind of social and economic benefits that the game has always provided. It is a willing tax since no-one is compelled to pay and is not as regressive a tax (hitting the poor harder than the rich) as it might appear. And the modern-day lottery is much fairer since its elaborate technological systems practically eliminate the possibility of fraud.

Critics retort that ticket sales can fluctuate wildly and are no substitute for stable, long-term funding for social aims. Complaints are also growing that money is being diverted to causes that were once funded by taxation, in a betrayal of the original vision of promoting access to sport and to the arts for the less wealthy. The row over lottery money 'stolen' for the 2012 Olympics rumbles on. However, provided revenue-raising is professionally managed and tightly regulated, lotteries are invaluable to help pay for public services and amenities that otherwise people might do without.

Governments of all hues have used them, from revolutionary (capitalist) United States, to revolutionary (communist) Russia, where even Stalin approved. Yet the attitude of rulers has always been ambivalent, welcoming the revenues raised as a supplement to taxation but denouncing any social ills. That is why lotteries are forbidden from time to time.

The National Library in Aberystwyth, recipient of one of Camelot's largest lottery awards in Wales: £1m to digitalise its contents.

When Britain's State lottery, which made its debut in 1694, and from 1776 became a regular institution authorised annually by Parliament, was banned in 1826 it did not reappear for 168 years. During the nineteenth century, most lotteries were discontinued elsewhere in Europe (with the exception of Denmark, Spain, Portugal, Austria, the Netherlands) and, eventually, the United States. The end of World War II led to the rebirth of national and State draws, a process that speeded up during the 1980s as Governments woke up to the possibilities of the game as a nice little earner.

Lotteries seem to go in political and economic cycles. On the precedent of the last two great lottery booms of 1693–1720 and 1795–1826, the UK lottery probably has about ten years to run before people get tired of it. That would probably suit Camelot, which was lucky to win its third licence to run the lottery for a ten-year period starting in February 2009.

However, a campaign to use random selection as a method to further public policy and political aims is accelerating. There have been interesting experiments, including the Welsh citizens' jury set up by Cardiff University and the pharmaceutical company Pfizer in October 2006 to debate generic issues involving medicines and the NHS.

Such juries are widely used in Australia, Germany, Spain, India and the United States. Jurors in law cases have, of course, always been chosen at random. During World War II more than 47,000 young men, the Bevin Boys, were also selected this way to mine coal as part of the war effort. The United States sent men to both World Wars, Korea and Vietnam by lottery and it has an elaborate lottery in reserve in the event of a military draft being introduced for Iraq and Afghanistan. Every year 50,000 immigrants enter the US as a result of the lucky draw, and in states such as Massachusetts sophisticated housing lotteries have helped allocate affordable homes for the less well-off for many years.

Lotteries are already employed worldwide to elect Citizen's Assemblies. During a unique initiative in 2003 the Canadian province of British Columbia randomly selected a group of 160 citizens to work out a new electoral system for the provincial government. News media and the public were initially condescending about the ability of laymen to deal with the complexities, but that soon changed as the assorted ranchers, retired nurses, teachers and lorry drivers quickly proved they were well up to the task.

In the UK, support is growing for randomly appointing some peers to a newly reformed House of Lords. Councils are also considering following Brighton and Hove's controversial lead in allocating places to its most popular, over-subscribed, schools by lottery. One of the big ideas of Gordon Brown's premiership is citizen's jury service whereby ordinary voters advise on public policy issues. In his first four months more than £500,000 was spent in staging juries in London, Bristol, Leeds, Portsmouth and Birmingham. Critics denounce them as a sham, a glorified and manipulated focus group, whose members are not randomly selected but picked to gain support for something the Government planned to do anyway.

Contemporary drawing advertising Britains's 'last ever' lottery in 1826.

They argue that the juries, which are likely to cost more than £3 million each year, must be made compulsory to become effective – as they were in Ancient Greece. Under this approach, everyone over the age of 18 would be required to debate and pass judgment on health, education and criminal justice issues at least twice in their adult lives.

So, while financial lotteries may decline over the next decade, political lotteries may be back in fashion for the first time in many centuries. Not since the year 1659, in the limbo between the death of Oliver Cromwell and the restoration of the monarchy, has government-by-lottery been seriously proposed in the UK. But now, the vision of those early radicals may be re-emerging. Certainly, it is being tentatively encouraged by an 'intellectual' Prime Minister bent on constitutional change, though the jury (no pun intended) must be out on how radical and bold he really is.

However, there is no reason why Wales, cradle of genuine political radicalism, should not lead the way in implementing the genuinely democratic possibilities of random selection. Probably, it would be much easier for a smaller entity to experiment. How about filling a few seats in the National Assembly by a lottery? Now there's a thought.

Gary Hicks, a former lobby correspondent, began his journalistic career on the Western Mail and Echo. His book, Fate's Bookie: How the Lottery Shaped the World, will be published by The History Press in September 2008.

richard livsey addresses the challenge of creating innovative, indigenous enterprises

kick start

The performance of the Welsh economy is well below expectations, particularly taking into account the application of Objective 1 funding for west Wales and the Valleys since 2000. Gross Domestic Product remains stubbornly fixed at around 80 per cent of the UK average. In fact, gross value added (GVA) declined from 84 per cent in 1995 to 78 per cent in 2004. Indeed, in west Wales and in the Valleys, it slid from 74 per cent in 1995 to 65 per cent in 2004.

At the same time, public spending per capita on economic development has risen from 133 per cent of the UK average in 1999 to 263 per cent in 2005-2006. During this period, most of the growth in new jobs came from the public sector. Disposable income stands at £21,182 per family, or £11,900 per head, compared to £15,000 in London. Five out of the top ten UK areas where people remain on benefits for more than five years are to be found in Wales. For many, housing is unaffordable.

Although 50,000 more people were in employment in 2006 than was the case in 2000, rates of pay remained low. Net disposable incomes are not sustaining a buoyant economy. The challenge we face is whether we are prepared to go out and initiate a new generation of Welsh entrepreneurs, or be content to continue on this downward economic decline.

Growth of the knowledge economy is overtaking traditional production processes. The proportion of knowledge workers reached 35 per cent of total employment in the UK by 1990, and is expected to reach 50 per cent by 2020. It is in this sector where entrepreneurship and innovation are most likely to develop in the coming decades. However, only 37.2 per cent of those employed in Wales are engaged in knowledge occupations.

Academics inform us that the synergy of Universities such as Stanford in California, has been the catalyst for the growth of Silicon Valley. Likewise, the Science Park and St. John's Innovation Centre at Cambridge University have provided nurseries for innovative high-tech firms. Nonetheless, experience in such contexts is that innovation is not an orderly or predictable process. There are at least 50 times more losers than winners when attempts are made to transfer technologies to the production process itself.

Economic strategies thus far deployed by the Welsh Assembly Government have been too focused on public sector jobs. There has not been enough attention given to entrepreneurial private and social economic activity. If this had been the case, GVA per capita would have advanced rather than declined.

One only has to look at the Irish experience to confirm the case for promoting indigenous, entrepreneurial activity. Large-scale inward investment from multinational companies can no longer be expected in today's world of globalisation. Our challenge is to create innovative, indigenous enterprises.

During the 1960s, I worked for ICI as a development officer in its agricultural division giving farm management advice to go-ahead farmers wishing to achieve financial goals within a jointly-created business plan. ICI's objectives were met by more of their fertiliser products being purchased by successful farmers. The farmers we advised became entrepreneurs in their own right, in the top 10 per cent of profitable agricultural businesses. The new systems they developed were demonstrated at open days attended by as many as 500 people hoping to emulate their success.

Bridgend-based Biotrace, manufactures consumer and industrial products to test for contamination as shown by the chef testing his knife in this photo.

In the 1970s, I lectured on farm management economics at the new Welsh Agricultural College in Aberystwyth. Students came from all over Wales and beyond, aiming to plan ahead and construct business plans for real farms. In those days, the students had to be interviewed by bank managers whom they had to persuade to provide the investment capital to create a profitable business. Lateral thinking was to the fore, with diversified new enterprises at a premium. We created a new generation of entrepreneurs, many of whom went on to become very successful businessmen and women.

Six years ago I joined the Board of Prime Cymru, part of the Prince's Trust. The objective was to get people aged over fifty into business start-ups with the help of a small team of business advisers. We calculated there were 250,000 economically inactive people in the 50-65 age bracket in Wales. So far, in the space of five years, 1,284 new businesses have been created with matching risk capital. The connecting theme is innovation, ranging from the production of organic chickens, dog beauty parlours, and making Welsh harps, to finding your Welsh ancestry on the internet. These initiatives demonstrate that, given the chance, people of any age can be creative.

Signs of hope can also be found in organisations like Planed, the Pembrokeshire Local Action Network for Enterprise and Development at Narberth. Over the past 20 years through sheer guts, hard work and some European money Joan Asby and her team have been promoting an entrepreneurial culture throughout the county. They operate through 15 Community Enterprise Groups supported by a range of specialist agencies. Together they identify what needs to be done to unlock the potential for enterprise.

At the Welsh level we have a strategic opportunity to take a big leap forward in generating indigenous business through using the £1.3billion European Convergence fund programme. It is a golden opportunity to create new businesses and quality employment. Innovation and infrastructure must be the key factors for the Assembly Government in pursuit of its Entrepreneurship Action Plan. The Irish experience has demonstrated that further education and technical training to promote a skilled workforce, alongside business parks, can produce a progressive, business-orientated society.

Our natural resources – including the native wit and intelligence of our people and our stunning landscape – should provide fertile ground for developing new entrepreneurs and new businesses. But there is a missing link. This is a lack of political will to assist the private sector to succeed. With community regeneration projects, this often means co-operative structures, and the creation of community enterprise companies, alongside private enterprise. The need for education in business skills and technical know-how alongside such initiatives is vital.

A further deficit is the means of providing risk capital for investment in new business initiatives. A Wales-wide banking infrastructure must be created to back up entrepreneurial enterprise. The Welsh Assembly Government should work out a master plan, and negotiate with the Bank of England to set up a new Bank of Wales. The prejudice which has existed against this in the City of London must be broken down, and the time is now right. In the past, the likes of Julian Hodge could not breech these Walls of Jericho. However, surely now with our rugby teams playing against opponents sponsored by the Bank of Scotland, the Royal Bank of Scotland, the Ulster Bank and the Bank of Ireland, the mood music has changed fundamentally for the better.

My experience of living and working in Scotland – with ICI, and then managing a 1500-acre farm estate in Perthshire – taught me that there is more than one way of building capital. Dealing with local businesses there, I frequently discovered that the owner had once worked in Africa, Canada or the Far East for a decade or more. Often, they had worked for multi-nationals, or run their own businesses. But their overriding ambition had always been to return to Scotland with enough capital to start up their own business. These people had also gained the confidence of the Scottish Banks.

The extraordinary success of Ireland in the past 20 years should be an inspiration to Wales. This is the first time in the history of Ireland that an indigenous, moneyed class has emerged as a result of a long economic boom. The Bank of Ireland estimates that compared with a few hundred Euro-millionaires 20 years ago, there are now 300,000. Ireland has a well-educated labour-force, and a strong demand for labour in well-paid jobs. An in-depth study of the Irish experience, and the application of the principles involved could provide a blueprint for Wales.

We have a fine tradition in Wales of egalitarianism and social responsibility. These are precious values, but they should not blunt our ambition for our people to succeed. We ought to be able to construct an entrepreneurial society, based on the principles of both David Davies, Llandinam, and Robert Owen. Enlightened entrepreneurship can encapsulate both co-operative and private enterprise. John Lewis's has promoted partnership enterprise with employee share ownership and participation. There is no reason why entrepreneurs of all shapes and sizes should not emerge for the benefit of all the people of Wales.

Close-up of the iconic footbridge across the Usk at Newport, creation of the Rowecord company.

There are many contemporary examples of successful Welsh individuals and companies in Wales, some of them profiled in the IWA's 2007 publication *Roaring Dragons – Entrepreneurial Tales from Wales*. They include:

- Rowecord, a steelwork engineering company which employs 1,000 people in Newport. Among its many world-class projects are the city's new £4.9 million footbridge across the Usk and the huge Concast facility at Corus's Port Talbot steelworks.
- Biotrace in Bridgend, the sixth largest manufacturer of industrial microbiology products in the world.
- Ifor Williams Trailers which, with 600 staff at its headquarters near Corwen, makes it one of the biggest north Wales employers.
- The Wynnstay Group, at Llansantffraidd-ym-Mechain in Powys, a former farmers' co-op and now a diversified agriculture supplies manufacturer and distributor, with 400 employees.
- Picture Financial, the secured loan provider in Newport which, though only founded in 2004, now has 200 employers and a £100 million income.

Entrepreneurship is an individual thing. Every story is different. Take just two from my own experience. While working for ICI, I had a colleague, Glyn Williams, from Holywell who was higher up the management chain. At the time he worked in the West Riding of Yorkshire. Driving to work every day he passed a young council road man, who had tethered a dairy cow of his own to graze the roadside verge. One day there were two dairy cows grazing, and later, three. Glyn concluded that here was a budding farmer with ambition. So he stopped to talk to him and discovered that he did aspire to be a farmer. Glyn contacted the county council, and after some negotiations secured him the tenancy of a county council smallholding. Together they drew up a business plan. Within four years, he was milking 60 dairy cows on his 75-acre holding. He never looked back.

During the 1950s, aged 19, I worked on a 450-acre farm in Carmarthenshire, and jointly milked 120 cows with another young cowman named Ieuan Davies, then aged 17. He was very good at his job and we got along very well. Every Sunday evening he went off to a religious revivalist chapel in Llanelli, from which he always returned with plenty of hwyl. But he remained essentially a very shy person.

Twenty-five years later, when I was a lecturer at the Welsh Agricultural College, I went to judge a grassland farming competition with Twynog Davies of the Adas advisory service. While visiting four working farms in southern Ceredigion and Carmarthenshire I told him about Ieuan. "I know him," he said. "In fact, he lives next-door to me.

"He still goes to religious revivalist meetings, but he is now a house builder in Cardigan, has 52 employees, drives a BMW and holidays for a month every winter in the Canary Islands." I met Ieuan and he told me that when he started, there was a 40 per cent grant on building silage pits. After milking his cows, he spent his evenings learning how to lay concrete blocks, and build silo walls. He became an expert, and eventually did it full-time, and that was what set him up in business.

The moral of these stories is that, with imagination, hard work and application, many people can succeed in business. Entrepreneurial skills can be learned and applied from a young age, and can result in success which can benefit many others. We should aim to produce enough new entrepreneurs to drive our economy forward.

Lord Livsey of Talgarth is a Liberal Democrat Peer. This article is based on a lecture given to a meeting of the Patrons of the National Library in Aberystwyth in January 2008.

Still from a video recording of John Ball (centre) opening the New York stock exchange in July 2006. He was there leading a group of his students from Swansea Institute.

local trading

john ball makes the case for establishing a welsh stock exchange

difficulties encountered by small and medium-sized businesses in raising capital have frequently been identified as one of the great weaknesses of the Welsh economy.

The idea of an investment bank in Wales has more than once been suggested as a solution, but has not so far been taken up. Funds available from the Assembly Government, together with imaginative use of Regional Selective Assistance, other government funds and support from one of the clearing banks could form the nucleus of such a bank. However, a consortium approach of this sort has never been seriously considered.

Yet, as Nesta Chief Executive Jonathan Kestenbaum argued in the Summer 2007 issue of *Agenda*, "we should encourage more patient and intelligent sources of capital to help fledgling businesses". Although not a new idea, a Wales Stock Exchange could possibly be the mechanism needed. and, indeed there are precedents. A century ago the Coal Exchange in Cardiff was one of the busiest in the world, as was the Metals Exchange in Swansea.

A modern Stock Exchange could help to expand legal and financial expertise, further the development of our domestic financial sector, and provide an equity market built on understanding the unique needs of Welsh business finance. We could also expect to see positive developments in business education and the development of a more financially literate community.

In addition, a Stock Exchange would encourage internal growth and ownership within the Welsh economy, provide new sources of long term funds for Welsh firms, and act as a catalyst for the growth of a regional financial cluster. It would offer a very real and attainable growth target for Wales-based firms without the difficulties of entering the London-based Alternative Investment Secondary Market (AIM), though it could be a feeder for it. Moreover, it could lead to many more companies seeking to join the 20 or so Welsh based firms currently quoted on the London Stock Exchange.

At a time when world stock exchanges are merging, it may seem odd to suggest a new Stock Exchange which by definition would

be relatively small. Yet such an exchange has been established this year in Birmingham and the idea of a Scottish exchange has been suggested, although opposition from AIM has delayed its development. The new Birmingham Stock Exchange (Investbx) has been established by the local regional development agency with the aim of encouraging the local population to invest in businesses *within their own area*, although, of course, interest in trading in the exchange could come from anywhere. Interestingly, it sees its role as addressing the 'equity gap', which its sponsors suggest is the need for funds of between £500,000 and £5million.

This is probably too large in Wales, where the number and size of firms means that the level of potential investment may be much lower, which is why fees and appropriate due diligence would need to be reasonable. Once fully established, Investbx plans not simply to be a source of funding, but of active share trading.

The establishment of a Wales Stock Exchange would open up areas of further, innovative financial activity. The exchange could in time become a bonds market, allowing the Assembly Government to raise its own finance, thus providing the opportunity to raise revenue without actually affecting personal incomes.

It would be a means by which government (or an appropriate government agency) might invest directly in a business, a system common in Europe. In addition, investment by ordinary shareholders in the market would encourage different sources of personal wealth creation, especially if – as an incentive to invest – there was a tax ceiling on dividends lower than that on earnings.

Stock options for local management would develop knowledge and commitment. Individual share holding employees could build their own pensions and the exchange could provide a source base for the business angels network that currently seeks to help small and micro businesses in Wales.

Given the number of private limited companies in Wales, the exchange could develop expertise as a base for Tradable Unregistered Equity, a system in which shares are not sold in public offerings but through large investors. This type of trading benefits small, family owned companies that need capital but fear external takeover.

There is also the potential of a corporate bond market. Short term lending, much preferred by the banks is often inappropriate. Growing businesses seeking to finance an expensive investment may prefer to borrow over the long term and, at present no such local opportunity is available.

A corporate bond market would form an important part of the exchange's activities. Indeed, corporate bonds are becoming an increasingly important source of business finance. In addition, many economies are looking to become centres of internationally traded services. A Welsh-based stock exchange would provide a base for such a development within the Welsh economy.

With appropriate expertise, a Wales Stock Exchange could establish itself as the institution used by smaller business organisations outside Wales as well as within it, a gap in the market that is increasingly emerging. The London Stock Exchange is increasingly concerned with large investors and big business, with small quoted firms continuing to leave. Moreover, since 2006 we have seen a flurry of mergers and takeovers, the result of which is to increase the importance and activities of large firms and institutional investors.

In 2005 the European Private Equity and Venture Capital Association issued a report calling for a European "Small-Cap" exchange to make finance available to smaller firms. Although such a pan-European exchange may be too ambitious for a Wales Exchange, certainly initially, it illustrates the growing need for the sourcing of small amounts of finance. Developments elsewhere in Europe suggest this need is being recognised. In 2005 the Dublin Stock Exchange launched IEX and in 2006 the Nordic and Baltic Exchange Group, launched First North. Both are aimed at filling the gap for small firms, though very much within their local, geographic context.

The cultural boost the establishment of such an organisation could give would be just as important as the actual activities of the exchange. A Wales Stock Exchange would be a source of pride and Welsh based businesses would be more willing to look at it and take part.

gdp per capita scenarios relating to an increase in the number of stock listed companies within particular UK regions

Region	Current Index of GDP per Capita	20 more listed companies	30 more listed companies	40 more listed companies	50 more listed companies	60 more listed companies
Wales	80.5	83.1	84.7	86.3	87.9	89.4
North East	77.3	83.9	87.5	91.0	94.5	98.0
North West	86.9	91.0	93.1	95.1	97.2	99.2
Yorkshire & Humberside	87.9	95.7	99.7	103.7	107.7	111.7
East Midlands	93.6	99.4	102.6	105.8	109.0	112.1
West Midlands	91.7	97.8	100.9	104.0	107.2	111.3
South West	90.8	96.8	99.9	102.9	105.9	109.0
UK	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Huggins R., Emlyn-Jones N., and Day J., *Regional Stock Exchanges – A Viable Option for Wales and Other UK Regions?* Cardiff, Robert Huggins Associates, 2003

The problems of establishing an exchange are many, and initial support might be limited as in other start-up exchanges. The Tallinn Stock Exchange was established in Estonia in 1995 with just 11 stocks. The Iceland Exchange currently trades 25, marginally more than the Malta Exchange, established in 2003 which trades just 15 stocks and a number of corporate bonds. The Palestinian Exchange trades an astonishing 36 equities and there are plans to establish an exchange in that most troubled of cities, Beirut. If successful stock exchanges can exist within these small states and, indeed, in the troubled Middle East, Wales should surely be able to offer the same level of business sophistication.

On a more positive – and challenging note – the Helsinki Stock Exchange trades a healthy 136 equities. Finland is a small state very much on the fringes of Europe, yet it is hailed as a major economic success in which the commercial and business acumen of its Stock Exchange plays no small part.

Just how effective the establishment of a stock exchange would be is, of course, difficult to estimate. Nonetheless the range of possible impacts on the Welsh economy are shown in the Table, comparing Wales with the English regions.

How big is the universe of companies in Wales from which potential listings on a Wales Stock Exchange might be garnered? Data from Companies House lists just over 66,000 private limited companies and no fewer than 120 public limited companies, though the vast majority of this rather large latter number are clearly not trading.

Some of the public limited companies are actually inward investing subsidiaries. Some private companies are registered at their advisers' premises and their activities may be elsewhere. Many register general activities, making sectoral analysis difficult. Despite these shortcomings, the absolute number does indicate a substantial distribution of potential members.

The exchange is likely to be small and consequently have less active stock, lower liquidity and slower trades. Although electronic trading may well be the way that trades are made (the Maltese Exchange trades electronically), such a market lends itself to a 'trading floor'. This may seem odd, but the need to develop financial, business and management skills in Wales would be hastened through daily, personal contacts, not only within the exchange, but also those with businesses outside the immediate exchange but that deal with it.

It would be important that the skills and spin-out that would emanate from such an important and potentially groundbreaking development would be seen to be for the whole of Wales. In the spirit of spreading economic wealth this would argue for it to be located in a part of Wales *other than Cardiff*.

John Ball is an Economics lecturer at Swansea Institute. His A Strategy for the Welsh Economy, *which expands the argument outlined here, has just been published by the IWA.*

re-balancing the health budget

malcolm prowle looks at the case for more private sector funding in the nhs

Any suggestion for expanding the role of the private sector in the Welsh health service has traditionally been greeted with opposition from across a wide political spectrum. Nonetheless, predictable trends over the next 20 years will make us face up to the radical change and a consequential need to relinquish ideological attitudes.

In this debate there is a lot of confusion between the delivery and financing of health services. There are many instances of private sector delivery of health services which are publicly funded. Examples range from hospital cleaning by outside contractors and private sector diagnostic and treatment centres to the private finance initiative for funding major capital projects. None of these involve privatisation, since they are funded out of the private purse.

Where the real ideological argument takes place is when services are funded directly out of an individual's pocket, through health insurance. When this happens, and there is no doubt that it is happening more frequently with a greater range of treatments, it undermines the underlying principle of the NHS that treatment should be free at the point of delivery. The issue is that financial pressures, combined with individual choice, are forcing this on to the agenda. What is needed is a rational debate to find ways of dealing with the trends that are happening in as equitable a way as possible.

Pressures on the NHS include an ageing population, advances in medical science, rising demand, and rising costs. In 2002 Derek Wanless's Treasury report *Securing our future health: Taking a long term view*, concluded that unless the English NHS achieved higher levels of efficiency and greater engagement in health from the population then a fully publicly funded health service would become *unsustainable* in the long term. Since the Wanless report was published the NHS in England has already missed many of the efficiency targets he identified and the spectre of unsustainability remains. There is no reason to suppose the situation is any different in Wales and indeed may be even worse.

Over the last twenty years NHS organisations have come under pressure to expose many of their traditional in-house services to market competition from private sector providers. However, such market testing exercises are often approached with a strongly ideological stance rather than judged on their merits. In future the Welsh NHS will need to take a more managerial and less ideological approach to the market testing of services. In some cases this will lead to greater outsourcing of services to the private sector. But in others a re-insourcing of services, or the provision of services through shared service agreements between NHS Trusts are likely to be better option.

There is also a case for the NHS in Wales to give more consideration to the role of the Private Finance Initiative (PFI) whereby the private sector finances the construction of a new hospital and also delivers services such as cleaning and maintenance as part of the PFI package. An analysis of HM Treasury data on PFI investment across the UK suggests there is more scope in Wales to source capital investment from the private sector (see Table 1). However, compared with the other UK countries little use has so far been made of it. As the IWA's report on policy options for the third term, *Time to Deliver*, put it in late 2006:

> *"Capital investment in our health and education infrastructure is lagging behind the rest of the UK partly because of an aversion to the use of private capital. On a wider front Wales cannot afford to ignore this source of finance, and could tap its potential without compromising public service objectives".*

Studies of the factors which influence the demand for private health services suggest that there is not a distinct group of private service users who have completely opted out of the NHS. *The demand for private health care in the UK*, a paper by Carol Propper of the University of Bristol, published by the Journal of Health Economics in 2000, modelled the use of private health care as a function of its costs and benefits relative to state care and no care. It demonstrated how far the entitlement of UK residents to free state-provided health care has been eroded, with a resulting rise in the use of the private sector. Indeed, the use of private services seems to be complementary to the use of public sector services. Those who use the private sector still retain strong support for the NHS.

Some NHS patients are now routinely seeking paid options to top-up their NHS entitlement in order to gain treatment more quickly, access new kinds of care, and achieve higher quality. The health policy group *Doctors for Reform* has argued that such top-up payments are likely to become more rather than less prevalent over time. The result is that the NHS will no

table one: use of pfi across the UK

	England	Wales	Scotland	N. Ireland	Total UK
Total Population	**50.43**	**2.96**	**5.09**	**1.72**	**60.2**
% UK Population	83.77	4.92	8.46	2.86	100.00
Total Capital Value of PFI Projects (£m)	53,404	590	4409	708	59,114
% of UK Total Capital Value of PFI Projects	90.34%	1.00%	7.46%	1.20%	100.00
Total Capital Value of Health PFI Projects (£m)	9,431	114	862	164	10,572
% of UK Total Capital Value of Health PFI Projects	89.21	1.08	8.16	1.55	100.00

Source: HM Treasury website – list of PFI signed projects

longer be regarded as free at the point of consumption, as they argue in *Free at the point of delivery – reality or political mirage? Case studies of top-up payments in UK healthcare* (April 2007).

The argument being advanced is simply this: since top-up payments are already taking place in a haphazard and inequitable manner, there is a strong case for a more uniform and fairer approach to top-up payments for all patients.

The mix between public and private varies considerably between countries, as shown in Table 2. The private health sector in the UK is substantially smaller compared with all the other member countries of the G7, even though their publicly financed health services show a much smaller range. We can be reasonably sure that in Wales the private element is even smaller than the UK average.

The vast bulk of primary care in Wales is delivered by GPs and dentists, working as *private practitioners* on contract to the NHS. In recent years there have been significant problems with these arrangements including the withdrawal of many dental practitioners from their NHS contracts and the introduction in June 2003 of the new General Medical Services contract for GPs. The former has reduced access to services while the latter has resulted in substantially increased costs and patient perceptions of a poorer service.

table two: split between public and private health spending across comparable G7 countries

Country	% of GDP	Public	Private
USA	15.3	6.8	8.5
France	10.5	8.2	2.3
Germany	10.9	8.5	2.4
Canada	9.9	6.9	3.0
Japan	8.0	6.6	1.4
Italy	8.4	6.4	2.0
UK	8.3	7.3	1.0

An approach to this situation might be to permit other contractors to access primary care funds in competition with existing providers. One example is the potential to recruit salaried dentists from other countries which would involve a shift from private to public provision. Another would be the provision of primary medical care by private companies, involving a change in the type of private sector provision.

Undoubtedly, promoting greater use of private medical insurance and increasing charges will be difficult policies to implement in Wales because of the prevailing political culture. For example, the Assembly Government has abolished prescription charges and, more recently, hospital car parking charges with a consequent loss in revenue. Such changes grab headlines. Yet they are not necessarily the best for the NHS since there is a loss of funds which have to be made up from elsewhere.

Moreover, in addition to an ageing population and rising demand, the Welsh NHS faces a 'squeeze' on the Barnett formula used to calculate the Treasury block grant, with the prospect of a fall in income. It is likely, therefore, that some radical options, including enhancing the role of the private sector, will have to be considered within the next decade.

It will not necessary to copy blindly what is taking place in England. There are different models which may have greater suitability to Wales. The biggest challenge will be finding an equitable route to medical insurance that gives everyone a fairer access to scarce medical provision and increasingly expensive drugs. However, what is not in doubt is that change will be forced upon us. The test for the Welsh Assembly Government will be in managing that change.

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berlin wall

lyndon miles on the ongoing effort to bridge the health and social services divide

The Welsh Assembly Government is making unprecedented efforts to ensure that public sector organisations collaborate more effectively, using the *Making the Connections'* philosophy of designing services around citizens, rather than organisational priorities. Local Service Boards are being developed in each of the 22 counties, with a senior Assembly Government officer as member, to drive local collaboration and create a new direct relationship with the Welsh Assembly Government. A prime focus is the need to improve collaboration between the NHS and Social Services. This is understandable, given the huge impact of this relationship on some of our most disadvantaged citizens.

In 1998 the divide between health and social services was described as a "Berlin Wall" by the then UK Minister for Health, Frank Dobson. Even though this gap and the real Berlin Wall were both post World War II government constructions, the virtual wall has shown more endurance than its concrete namesake.

In large part the service gap was created in statute. Care for the sick was enshrined in the 1946 NHS Act, while provision for the frail was passed to local authorities by the 1948 National Assistance Act. Thus the lines were drawn for more than a half-century of disputes and battles over responsibilities, finance and professional autonomies.

Very early on it was recognised that this division had disadvantaged our citizens. The late Robin Huws Jones, who achieved international recognition in the field of Social Work Education at Swansea University, noted that people were falling between the two services – being "not ill enough for one, and not well enough for the other". In the 1950s the Conservative Minister Iain MacLeod, described the gap as "perhaps the most baffling problem of the whole NHS".

Since that time, repeated exhortations and policy provision by various governments have attempted to improve the interface. In the 1970s the duty to collaborate was made statutory, and joint care planning teams were established. In the 1980s, lack of progress resulted in pressure for more radical change. The 1986 Audit Commission report *Making a reality of Community Care* identified a range of underlying structural problems and recommend unitary authorities with single budgets to run services. However, neither the subsequent Griffiths Report, nor the 1990 NHS and Community Care Act significantly improved the situation.

In 1997 the New Labour Government demanded "truly integrated planning and action between the NHS and Local Authorities" and legislated for the pooling of budgets and transfer of responsibilities from one organisation to the other. Following the 1999 Health Act there was provision for 'Unified Assessments' for users, and unified Care Trusts in England were created in England.

Yet criticisms and concerns persist. Why is it that partnership and joint working between the NHS and social care is so difficult? Problems include:

- Structural and organisational issues: including a litany of different planning and accountability arrangements within the NHS and local government.
- Differing financial and charging regimes: the NHS is centrally funded, while local authorities operate on a more mixed economy, and charge users for some services.
- Professional rivalry: encompassing differing mental models of health between the organisations. The medical model (making a diagnosis and providing treatment for illness) pervades the NHS, while the social model (how the wider determinants, cultures and belief systems affect well-being) drive local government.
- Differing cultures: powerful drivers of motivation, behaviours and emotions.

These differences have given rise to disputes over accountability and responsibility, even to the extent of a bath being defined as either 'medical' or 'social'. More importantly, cross boundary suspicions and differing financial pressures have been a major impediment in the development of community based services. A classic example is the 'care bed' situation, where differing interpretations of 'continuing care' responsibility and lack of inter-agency strategic planning in the 1980s led to the NHS decision to reduce geriatric beds without a compensating increase in community home provision. We still, of course, have 'bed-blocking' disputes.

There are at least two schools of thought on why the wider care system continues to struggle despite legislative change. Some say that the failings are system issues, not those of individuals on either side. They argue that frontline workers are often left frustrated and despairing. They do their best to collaborate in an operating framework which has perverse incentives that encourage organisational protectionism and cost shifting.

Others point out that success is possible within the current system and that variability is due to individual behaviour at organisation and executive level. They argue that the tools of collaborative working exist, such as the Health Act 'flexibilities' which permit pooling of budgets and integrated provision. This school asks whether organisations really wish to be

best practice at monnow vale

Monnow Vale is a new Health and Social Care facility in Monmouth that eventually will provide one of four new 'hubs' for community services in Monmouthshire. Funded using a Private Finance Initiative, it brings together all the partners of local authority, NHS, community and third sector groups into an integrated management with pooled administration. Operating in a 'whole system' ethos, with citizen at the centre and integrated pathways and processes throughout the system, it has primary aims of promoting health, maintaining independence and developing engagement with the local community.

A wide range of care services are provided, both on-site and for the nearby locality, including home care, nursing, re-ablement, social work, therapy and some inpatient services. The centre provides a single point of access for professionals and patients.

The venture is under-pinned by common goal development between the NHS and County Council, and joint appointments (at Director level) between the Monmouthshire Local Health Board and the County Council. Lessons learned to date include:

- Co-location has provided benefits of sharing of knowledge, culture and support.
- Integration of funding and contracting processes reduce transaction costs.
- Joint appointments provide a focus for working through the steep learning curves of differing operational and corporate governance process, establishing clear roles and responsibilities an open learning environment.
- Joint learning continues, with opportunities for improving collaboration and integration being developed as experience grows (through, e.g. better use of Unified Assessments).

transparent, and asserts that because of insufficient common purpose, the problem is a lack of trust between them.

The reality is likely to be that both schools are correct, with some system and structural barriers still in place, and deep seated cultural and behavioural differences needing to be addressed and developed.

Despite these difficulties, there are excellent examples of integrated working in Wales, such as multi-disciplinary intermediate care and rehabilitation teams, and integrated equipment stores. Monnow Vale, in Monmouth, stands tall as a forerunner of the integrated health and social care provision being promoted for our communities, and has started providing truly citizen based services (see panel).

Yet, while there have been successes, the most noticeable aspect of this landscape is the variability that exists across Wales. Some areas have been able to develop a shared local vision, agreeing joint executive appointments, and establishing co-located services. However, in a small number of counties relationships appear strained and tense, and progress is fairly limited.

Whatever the reasons, it is the case that we all face a huge demographic challenge in care provision in Wales, with those over 85 expected to increase by three times before 2050. There is an urgent need to make systematic progress in developing and integrating out-of-hospital care, so that it is based on citizen, not organisational, need. We should become better at sharing examples of success, and less focussed on historical differences.

As always with such entrenched problems, solutions are complex, multi-faceted and long term. If we are to continue with our present structures, a range of issues at strategic and county levels should be addressed.

At a strategic level we need to:

- Align or nullify the impact of the differing planning, target setting, performance management and inspection arrangements for each organisation.
- Give careful consideration to differing financial regimes, and develop a consistent, ethically based, policy on the role of the individual and of the state in the funding and charging of personal care, living costs and housing. This analysis would usefully include an examination of the inequities and perverse incentives that currently exist in the system. In particular, tensions created by free NHS care and means testing for personal social care will continue to make joint working more difficult. Both the Joseph Rowntree Foundation and the King's Fund (Wanless Social Care Review) have produced highly informative reports addressing these issues.
- Consider the impact of non-hypothecation (or ring-fencing) of social services allocations from the Assembly to local authorities. Although hypothecation has been resisted, it is the case that local authority flexibility over social services expenditure will sit increasingly uncomfortably with central (NHS) allocations as integrated working flourishes.
- Encourage cross sector understanding in education and continued professional development. This should include developing a more balanced appreciation of the place of the medically dominant Randomised Controlled Trials. These may fail to capture the multi-faceted issues and nature of health and social care interventions, and of more qualitative methodologies.

At organisational and county level we should:

- Integrate this work within Health, Social Care and Well-being strategies, exploiting the benefits of co-terminosity, and use the Local Service Board interface to re-double efforts to focus on the outcomes of delivering integrated care.
- Develop personal and collaborative leadership capacity which understands the technical and adaptive challenges required.
- Engage stakeholders and the workforce, building collaborative capability for delivery.
- Create transparency in mapping out needs and current service provision, moving towards a shared vision, objectives, use of resources and risk. Such analyses will inform decisions on 'flexibilities', or alternative mechanisms of integrated working.
- Exploit the benefits of information technology. The ability of organisations to talk to each other 'electronically' would transform the process of Unified Assessment from an administrative burden into an empowering interface.

The citizen needs provision of integrated and co-ordinated community services. Given the historical difficulties the current structures have faced, some believe that the creation of Health and Social Care Trusts are the obvious step forward. Even the Beecham Report, *Beyond Boundaries: citizen centred local services for Wales*, which promoted collaboration rather than re-structuring, called for urgent action to tackle capacity constraints through "... joint provision and the creation of joint operational vehicles such as care trusts".

However, if we are not to re-structure, we need a rapid development of collaboration and transparency between sectors. Slow progress, continued tension and a tightening funding provision may well result in the citizen asking why there are so many publicly funded organisations delivering care in our communities.

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congenital tribalism

gethin williams probes the past in search of lessons for the future of higher education in Wales

Governments, however strident their declarations of intent or robust their rhetoric, have never found it easy to secure a strong purchase on higher education. Even Mrs Thatcher had to wait until her third term in office to finally impose her will on a sector seriously disaffected and alienated by a sustained financial squeeze.

In researching the management of higher education in Wales between 1976-98, I was particularly struck by the length of time taken by the Thatcher Government to achieve its purposes despite a determination declared from the outset to transform attitudes and performance. Mrs Thatcher was acutely aware on entering her third term in 1987 of the limited impact her two previous administrations had made on higher education and was convinced that nothing short of a full frontal assault would crack the 'tundra' of resistance to reform.

By this time relations between the Government and the universities had reached an all-time low. Thatcher was demonised and the universities discredited. With the benefit of hindsight it can be seen that the breakdown in relations was brought about by the failure of both sides to come to terms with contextual realities. Each had unrealistic expectations of the other and had no difficulty in finding ready confirmation of their worst suspicions.

A defining moment, which confirmed the Thatcher Government's critical perceptions of university management and greatly strengthened its resolve to pursue radical reform, was the financial crisis at University College Cardiff in 1986-87. The crisis was sufficiently serious to threaten bankruptcy and closure and prompted unprecedented interventions from the Department of Education and Science and the University Grants Committee. The 'Cardiff crisis' became a *cause célèbre*. The means adopted for its resolution reverberated menacingly throughout the university sector and had far-reaching consequences for the funding, management and governance of higher education institutions across the UK. It continues to be invoked as a cautionary tale of the dire consequences of institutional mismanagement, yet the events are yet to be fully understood and adequately assessed.

The rescue package, agreed in July 1987 after a series of dramatic events and a commitment to major staff reductions, involved an enforced merger with the University of Wales Institute of Science and Technology (UWIST). Such was the success of the merger that in less than ten years the new University College of Wales, Cardiff, achieved recognition at the front rank of British universities by becoming a member of the Russell Group.

Throughout the period 1976-98 institutional performance was closely linked to the degree of success achieved in managing strategic change. UWIST had coped with the challenges posed by the Thatcher Governments with assurance and conspicuous success while University College had drifted into a deepening financial crisis, which caused the government to intervene and threaten closure. Following the intervention during 1986 and 1987 it was UWIST which emerged as the dominant partner in the enforced merger and it was to its Principal, Dr Aubrey Trotman-Dickenson, that the

Today's Cardiff University main building in Cathays Park. In 1987, when it was styled University College, Cardiff, it became bankrupt and was forced into a merger with the University of Wales Institute of Science and Technology to create the University College of Wales, Cardiff. Now it has joined the prestigious Russell Group.

task was given to achieve rehabilitation and recovery. That they succeeded under his leadership and that of his successor, Dr Brian Smith, both strongly supported by the Chairman of Council, Sir Donald Walters, can be best explained in terms of the successful management of strategic change. Positive adaptations were made to external challenges and internal pressures so that repositioning and competitive success were achieved by 1998.

The experience should provide a major lesson for Welsh higher education in the era of tight funding that we can expect over the next few years. Of course, we are fast approaching 2010, the target date set by the Welsh Assembly Government for achieving the strategic goals of *Reaching Higher* set out in 2002. The most ambitious of these was reconfiguration of the sector. Without the kind of crisis presented by University College Cardiff to Mrs Thatcher (with none detectable on the 'risk assessment' radar at present) it is worth exploring what constellation of circumstances might best assist the Higher Education Funding Council for Wales (HEFCW) achieve the Assembly Government's long-standing ambition.

Much will depend on the capacity of key players at the Assembly Government, HEFCW and higher education institutions to reach a shared understanding of the realities to achieve optimum policies and actions. Each group needs to consider how the world looks from the vantage points the others occupy, while critically examining their own selective perceptions and dispositions.

Crucial to the well-being of higher education in Wales is a strong and effective HEFCW, valued and supported by the Assembly Government and the higher education institutions themselves. Without doubt, HEFCW is one of the major successes of administrative devolution, yet questions are being raised about its current authority and influence. Critics point to the failure of HEFCW to secure a level playing field with England and Scotland, as the funding gap widens rather than narrows. As a consequence some of the Vice Chancellors view the HEFCW more as 'duffer' than' buffer' and advocate a direct link with the Government.

Such a view is naïve and short-sighted and ignores past achievements and current realities. HEFCW was successfully established in 1992 – 1993 and quickly achieved legitimacy and credibility, becoming an effective 'honest broker' between the Welsh Office and higher education. There was no ambiguity over where the Council's primary duty lay and that was to the Welsh Office, which determined the funds and the policy framework and political imperatives which guided the allocation to institutions. This remains the position with the Assembly Government.

By 1999 HEFCW had established significant authority and influence and could claim important successes in delivering policies, programmes and financial allocations in accord with the Government's agenda. It had also supported major improvements across the board in the general condition and performance of Welsh higher education.

No improvement was more important for the repositioning of the sector than research. In 1992 this was identified by the Welsh Office as an area of obtrusive weakness, requiring special attention. In response HEFCW mobilised astute policies and special funding to ensure dramatic improvements in performance at the 1996 and 2001 Research Assessment Exercises.

It was with some justification, therefore, that the Assembly Government could set out its ambitious aspirations in *Reaching Higher*, published in March 2002, to "chart a clear course for the Welsh HE sector to 2010". This is the course which HEFCW has since followed, with annual reports and planning statements tracking achievements against expectations.

However, the one area where HEFCW has achieved mixed success is reconfiguration. Despite some encouraging progress, acknowledged by the Minister in her Remit Letter for 2007-08, major problems remain with north and south east Wales. The failure to make progress in the wake of aborted merger talks and against the threat of a 'spiral of decline', has been highly frustrating for the Council and the Assembly Government. Indeed, such was the frustration of HEFCW's Chairman Professor Roger Williams with the handling of negotiations with the University of Glamorgan by UWIC that he sought to exert pressure which, in the absence of legitimate formal powers, proved counterproductive.

This was one of the several salutary conclusions reached by the ELWa Audit Service in its 2004 *Review for HEFCW of the Terminated Merger Discussions between UWIC and the University of Glamorgan*. Above all, given the legal independence enjoyed by higher education institutions, the report spelled out the limits to the leverage available to HEFCW and the Assembly Government. Without additional statutory powers, which, in the absence of more rapid progress, may need to be sought, reliance has to be placed on funding, guidance, facilitation, persuasion and discussion, with a heavy onus falling on higher education to respond positively both individually and collectively.

The considerable achievements of the sector have derived from the energy, commitment and leadership of individual institutions in a highly dynamic environment. What is now required is a stronger identification with the interests of the sector as a whole. This will not be achieved without more enlightened leadership from chairs and vice- chancellors, who should waste less energy on asserting their acknowledged independence. They might consider, for example, inviting an observer from HEFCW to participate in meetings of their boards and councils when strategic sector-wide issues are being considered.

At the collective level the performance of higher education in Wales has been very disappointing compared with their counterparts in Scotland. This is not entirely surprising given the diversity of the sector, the fierce competition in

the market for esteem, a preoccupation with positioning and regional and local loyalties. Even so, the Scots manage to achieve a coherence, tactical sophistication, discrimination and bargaining skills that are conspicuously absent in Wales.

Despite the best efforts of its small team of officers, the effectiveness of Higher Education Wales has been seriously impaired by division and indiscipline, and a consequent inability to make the appropriate weight in public debate and negotiation.

Roger Thomas, new chair of the Higher Education Funding Council for Wales, will need to provide strong leadership if Welsh universities are to pull together.

The funding gap with England and Scotland, estimated each year by HEFCW and contested by the Assembly Government, is the major grievance which blights the perceptions of the higher education institutions and fosters conflicting preoccupations among them. Faced with the reality of the recent tight financial settlement, they have little choice but to face harsh realities and achieve greater bargaining muscle by mobilising strong evidence and powerful collective arguments to satisfy the 'something for something' requirement.

Despite the funding gap, the Assembly Government emerges with considerable credit for its approach to higher education. Policy has been transparent, ambitious, far-sighted and, where possible, evidence-based. Even the problem of Initial Teacher Training in Wales has been finally tackled after thirty years of discussion and prevarication, albeit with cautious prudence rather than up-front boldness.

Inevitably, the Assembly Government has to face political pressures from competing vested interest groups, including AMs. It must be hoped that the reforms introduced in the wake of the Government of Wales Act 2006 will hasten the transition from a 'county hall' culture to the Westminster model it is intended to promote.

In the summer 2007 issue of *agenda* Aled Eurig drew attention to the need for more effective scrutiny and better use of members' time. This unquestionably applies to higher education where some AMs have become over-involved with constituency priorities and taken upon themselves the role of lobbyists, selectively briefed at 'charm offensives' organised to win their support.

The First Minister might also be better advised to limit the generous personal accessibility which he allows to vice-chancellors. Coming as he does from a family of distinguished academics, he must feel entirely comfortable in their company. However, such an open-door policy politicises links between the Assembly Government and higher education in a way that could dilute the authority of his Minister and HEFCW.

There are undoubtedly tensions and potential misunderstandings, which cannot be avoided between the three groups of key players as they seek common cause. Fortunately, the Wales of devolution is far removed from the Thatcher period. Even so there are pitfalls to be avoided and lessons to be learned from that era on how best to shape the strategic development of higher education.

If Steve Martin and Adrian Webb are to be believed, in their contribution to the 2007 Demos report, *The Collaborative State*, the future lies with the kind of collaboration which Wales is already pioneering. Jane Hutt, the new Minister, understands higher education well and will be relieved to have charge of a sector potentially much more manageable than the NHS.

HEFCW is currently strengthening its organisational capabilities after the dislocations of the ELWa experience. We must hope that its new Chair, Roger Thomas, former Chair of the Governors at the University of Glamorgan, will provide strong leadership. Whether the higher education institutions, individually and collectively, can abandon the congenital tribalism, which, according to Rhodri Morgan, afflicts the Welsh, remains to be seen. But if they can manage it in Scotland, why not in Wales?

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gwynedd's furore

alwyn evans offers advice on primary school amalgamation

It seems a bit ironic that I, who have spent most of the past 30 years defending small schools and exploring ways of improving them, now find myself in support of Gwynedd's primary school reorganisation plans. While one or two of the proposals are questionable, overall this is a brave attempt to ensure more effective education across the county, and in a way that will support and strengthen the Welsh language and culture rather than damage it.

Gwynedd's consultative document proposes closing 29 schools and creating eight new area schools with three on existing sites. It also proposes federating 55 existing units into 18 schools. Only 19 of the county's 106 primary schools will be uneffected. In all, the number of primary schools will fall to just 48 if the proposal go through unchanged.

Yet such a county-wide scheme should not have been necessary. If Gwynedd councillors had shown the foresight to look systematically at the educational and community needs of more localised areas over the past decade, much of the present furore would have been avoided.

Gwynedd is not alone in reorganising schools. Across the urban, rural and Valleys areas of Wales local education authorities have been forced to review their schools by the combined pressure of the Audit Commission and the Welsh Assembly Government. This has been prompted by significantly declining numbers of pupils, demands on other county council services and a worse-than-usual financial settlement this year. Indeed, there is a similar picture across Northern Europe, demonstrated by a 2005 study under the auspices of Nesna University, Norway and Interskola, the annual standing conference on education in rural and remote communities.

No local education officer officer in his or her right mind enjoys the endless hours of planning, meetings, abuse and protest that accompany change in even a single school, let alone most of the schools in an authority. And yet it has to be done, and there is no point denying that the main motivation at the moment is financial. When you're forced into this situation, the educational rationale can get muddied. Yet it is vital that educational benefit for *every pupil* within an authority should be at the heart of such a reorganisation.

In the 1970s there were many similar moves afoot. The American educationalist Dr Jonathan Sher, put forward five principles in his *Revitalising Rural Education, A Legislator's Handbook* (1978). In summary, these were:

- The primacy of local circumstance must be respected.
- Strengthening links with the local community.
- Balance between local control and external regulation should be more equitable.
- Changes to structure and arguments on quality of the curriculum are two separate items.
- Any developments should take advantage of the strengths as well as correct the weaknesses of small schools.

In many ways the first of these principles is the most important. No one school, and certainly no small rural school, is like any other school. There are always diversity in the social, and in the case of many Welsh counties the linguistic mix, in distances and method of travel to school, in the nature of the community they serve and a thousand other factors. Yet putting forward a county-wide reform strategy disregards this.

One could certainly have drawn together some communities in a limited area and asked them collectively, "What do you see as the future of your schools, facing declining numbers, and with money being tight?" However, those areas should be small, have a sense of

Poster advertising a public meeting to oppose school closures at Pwllheli in Gwynedd.

relationship and identity with each other, and above all, have an awareness that the status quo is not sustainable.

Their first reaction in such a situation will always be defensive. However, if effective dialogue takes place and real alternatives are offered, then interesting solutions can come up. These can include parents saying, "Our school is just too small by itself, but could work well in partnership with others." Unfortunately, if exactly the same proposal is made top-down as part of an overall 'County Plan' it will be rejected with headlines such as 'Federation is closure by stealth'.

The answers really do need to come from the communities themselves. I well remember the first federated school in Clwyd, at Bryneglwys and Llandegla, which was formed very much through local consultation. If this had not happened, Bryneglwys would certainly have closed. That same federation still operates, nearly thirty years later. So, federation can be a means of ensuring the future of schools which otherwise would not be considered 'viable'. It is also a means by which otherwise isolated teachers can develop new expertise and work more in partnership. With the demands of Curriculum 2008 calling for significant rethinking of teaching and learning methods, this becomes even more important.

However, no-one should be under the misapprehension that federation of schools is easy, or indeed less expensive. I anticipate that any federated school which involves more than three separate sites will create significant logistic difficulties, and Gwynedd plans five such schools. A peripatetic head, even if non-teaching for a significant part of his or her day, will face major problems of time management. The only justification for such schools is if their pupils receive a discernibly richer education, or if there is a need for a stay of execution to see how pupil numbers change.

The second principle, that of strengthening links with communities, is also important. While they may well have very good links with the parents, several of the schools listed for closure in the Gwynedd scheme are barely used as centres for community activity. In several schools, up to 75 per cent of their pupils come from outside the catchment area – not much sense of community there.

A study of Herefordshire schools that closed in the 1970s showed clearly that closure was the result, not the cause, of decline in communities. Decline was alleviated considerably where the building itself was retained for community use. Where a school is designated for closure, then whenever possible the buildings should be retained, and other uses found. Alternative include a voluntary Mudiad Ysgolion Meithrin group, a training workshop for the nearest FE college or training body, a workshop for light craft or manufacture, a community meeting room, and so on. Communities threatened with losing such a potent symbol as a school need to see, first, how the education of their children at the area or federated school will be significantly better and better resourced, but also how their community more widely can benefit in a specific way.

Some strident voices say closure or federation is a threat to language or culture, especially in naturally Welsh-speaking communities. If examples elsewhere in Wales are valid, I cannot see that this is true. Ysgol y Dderi, Llangybi, the first official 'area' school in Wales, replaced five smaller local schools, whose size and isolation made them highly vulnerable to social and linguistic change. Despite major in-flow of non-Welsh speaking families into Ceredigion since that time, Ysgol y Dderi has remained over thirty years a centre of cultural strength.

So does Ysgol Bro Cernyw, formed through closure of small schools in Gwytherin, Pandy and Llangernyw. In both these area schools, local people saw they were gaining a brand new building, good equipment and excellent community facilities, without sacrificing language and culture. Support across all the communities for their area school is strong and both schools have continued to feature strongly on the Welsh language and cultural scene.

Bob Dorkins, former head of Ysgol Crud y Werin, Aberdaron, for 16 years, was a candidate in May's local government elections in Aberdaron for Llais Gwynedd which opposed the county's school closure plans. In October 2004 he was elected by the Dwyfor area primary school headmasters to be their representative on Gwynedd Council's schools' reorganisation working party but resigned in 2006 in protest against what he perceived to be a sham. "I believe there are individuals on the council who hold too much power and seem to have forgotten Plaid Cymru's founding principles that put our communities first," he said.

The picture below shows a demonstration by defenders of Ysgol Llanystumdwy one of the threatened small schools in Gwynedd.

In view of Gwynedd council's political and linguistic makeup, I would think that maintaining language and culture, within first-class facilities, was one of the most important things on councillors' minds in their area school proposals. And in some communities such as Croesor or Abersoch, where incomers already form a high proportion of the population, children will have more Welsh influences, not fewer, by moving to a larger area or federated school.

However, the third principle – a balance of local and central influences – is that which Gwynedd's overall plan breaches most. No matter that a further round of consultation will follow the 55 consultative meetings so far, the

perception is of a scheme centrally prescribed, rather than undertaken through a local process of decision making. If the question had been put originally to a local community, in the form "What do you see as the future of education in your area?" then the answer could well have been much the same as that of the local education authority. The problem is the current plan started from the top-down, and is thus seen as an imposed external solution, resented by those it affects. Ask communities sensible questions and they will often come up with sensible answers. Tell them what they should have, and they will invariably say, "No thank you."

One can understand why local education authorities did not take action during the 1980s and early 1990s. To have even mentioned 'reorganisation' would have resulted in small schools immediately queuing for the Conservative government's bribe of extra finance by opting for Foundation status. After Ysgol Llanerfyl in Powys opted out, no local education authority was going to risk a similar debacle.

Yet there has been no excuse for inaction since local government reorganisation in 1996. The problems of lower pupil numbers and deteriorating school buildings are not new. Notably, and exceptionally, in Pembrokeshire has improved provision for specific areas through sustained proactive planning. This has certainly resulted in local protests, and in one case a High Court action. However, overall there has been significant benefit for children's education in the county.

In Gwynedd, the tendency over the past decade has been to say, "We've got an election coming, we'd better not do anything." Thus, the ruling Plaid Cymru group, forced to attempt major reorganisation, now face problems in the May elections from resentful parents and communities in all quarters. It has also resulted in the setting up of 'Llais y Bobl', a pressure group who seem to have no other policies except "Keep things as they are." I await with interest what solutions this group would offer to Gwynedd's problems, if they attain power, or at least hold the balance of power.

The fourth principle, that one should not confuse organisational changes with curricular and quality issues, is another that Gwynedd seemingly ignores. Though the county plan argues very cogently that the purpose of area schools and federation is to provide a better education for pupils, they might as well not have wasted their breath. Parents' reaction in most places is, "We're happy with what we've got."

Even schools that have received unflattering Estyn inspection reports, and which clearly could be doing much better, suddenly become schools deserving of support when parents find they are threatened with losing them. Worries about children 'getting lost' in large schools, long journeys on buses, and teachers losing their jobs, are linked with arguments about how children feel well-looked after and part of a 'family' in small schools.

In the case of children moving from a 12-pupil school to one of 300 or so, I can see the validity of many of these arguments. In Gwynedd, that's not the case. In federal schools, the sites to which they will be transferring will almost always be well below 100 pupils – and below 100 is the definition of a 'small school' in England. In proposed area schools, numbers are a little greater, but they are still far from being large schools.

However, by suggesting that as a result of reorganisation all pupils will have a richer curriculum, better facilities and a better education across the county, Gwynedd confuses structural and quality arguments. Locally, you can show specifics of what pupils will gain. County-wide generalisation immediately enables each locality to show how they are 'different', and do not fit the pattern.

But it is in the last principle, building on the strengths of small schools as well as correcting their weaknesses, that Gwynedd's overall scheme does have clear merits. It is proposed that 55 of the total 106 present schools should federate, to form 18 stronger units. Indeed, the great majority of the County's proposals relate to federation, not closure, of schools. This provides teachers, pupils and parents with stability, but also access to far more flexibility, skills and facilities across the separate sites.

Headteachers will have a better career structure because of the creation of the larger overall establishments. One of Gwynedd's major problems at present is recruitment for headships, particularly in the rural south and west, partly because there are so many small schools on the same pay scale, where heads tend to 'stick'. This recruitment problem will be compounded over the next five years, during which more than 50 per cent of Gwynedd heads are in the age-group to retire.

I have concentrated on one county's proposals. Several other counties have been less consultative, less publicised, and less brave – or foolhardy? In one way or another, however, all have had to face the situation where carrying on as they have done is no longer an option.

On many occasions over the past 34 years I have attended the annual conference of Interskola (http/www.interskola.net/), which attracts delegates from countries across Northern Europe and further afield. In July 2008, Interskola will be in Coleg Harlech in Gwynedd, and the theme will be 'Regeneration'. Presentations on Gwynedd and Pembrokeshire's methods of ensuring regeneration will be among those under scrutiny. I look forward to how the conference delegates, all advocates in their own countries in support of small and remote schools and communities, will respond.

Alwyn Evans was Area Education officer for the rural western area of Clwyd from 1974-1984, and Chief Education Adviser to the former county of Gwynedd 1984-1994. A former member of the Curriculum Council for Wales he is currently chair of the Wales Panel of the Teaching Awards.

siôn cwilt

gareth ioan on a successful campaign to amalgamate some small rural schools

While journalists across Wales have been relishing every opportunity to write dramatic and simplistic variations on the headline 'Save Our School', a popular campaign for closing some small schools in rural Ceredigion has gone unnoticed.

In the face of local authority prevarication, over the last decade the *Campaign for Ysgol Bro Siôn Cwilt* has been pressing for the closure of three traditional Victorian primary schools and their replacement with a new school to serve the modern-day needs of their rural community. In December 2007 they succeeded.

Back in 1997, during the good-old days of Group School Governorships, the four primary schools straddling the mid-Ceredigion highland known as Banc Siôn Cwilt shared the same governing body. The schools were Caerwedros, Gwenlli, Llanllwchaearn (Cross Inn) and Talgarreg. There was fevered talk of budget slashing, the injustices of *per capita* funding, new educational expectations and school reorganisation. Does it sound familiar?

In May 1998 the Governors saw the writing on the wall when Ceredigion County Council published *The Future of Primary Education in Ceredigion*. Fearing an amalgamation with schools in the neighbouring districts of New Quay or Llanarth and the break-up of the Group, the basic thinking was two-fold:

- If there's going to be reorganisation it's going to happen on our terms; and
- if there's any cash going to be splashed around we might as well be at the front of the queue – for a change.

The governors wrote to Ceredigion Education Authority indicating the wish of three of the four schools – Caerwedros, Gwenlli and Llanllwchaearn – to pursue discussions with a view of establishing an Area School. The letter expounded on issues such as raising educational standards, improving early years provision, enhancing staff development and economies of scale. It also highlighted local priorities such as ensuring a community focus, strengthening Welsh language provision and enabling wider access to IT. Talgarreg representatives, it must be noted, were, in the main, non-committal.

A meeting was held at Caerwedros with council leaders and officials at the highest level. Things looked rosy. However, with council elections looming ahead in June 1999, nervous councillors – many of whom represented wards that contained small rural schools – prevaricated and the 'pink document', as it was colloquially known, was set to one side. Nonetheless, a marker had been set in Bro Siôn Cwilt.

It took the appointment of Gareth Jones as Director of Education in the summer of 2004 for Ceredigion to get to grips with the subject again. Quick off the blocks, in the autumn of the same year local cultural action group *Pwerdy Caerwedros* invited Gareth Jones to a community event, *Ffair Siôn Cwilt*, to discuss the future of education in the area. By February 2005 education officers had prepared a plan for the reorganisation of primary schools in the area and consultation meetings were to be held during May and June.

Campaigners for the new Ysgol Bro Siôn Cwilt at Synod Inn.

To the amazement of the local populace it transpired that the council's plan was to amalgamate eight neighbouring schools into a mega-school for 350 pupils at Llanarth, bringing New Quay, Llwyncelyn and Mydroilyn into the frame to make up the numbers. There was uproar at the Caerwedros consultation meeting when the Council announced its proposals. The *Campaign for Ysgol Bro Siôn Cwilt* was promptly established to put local aspirations back on track.

As part of the campaign the group issued its own document outlining its rationale for an Area School:

- Fuller and wider delivery of curriculum requirements.
- Higher educational attainments and achievements.
- Better Foundation Stage provision.
- Improved technological and specialist educational resources.
- Modern classrooms, a school hall, inside toilets, and play areas.
- Better facilities for younger pupils and those with special needs.
- Increased stability of class sizes, in terms of numbers and age range.
- Better working conditions and career opportunities for staff.
- More access to IT.
- Enhanced lifelong learning opportunities.
- A modern, state-of-the-art community resource.

In fact most of these points mirrored the education authority's own arguments. However, the proposal for an 'urban-sized' school of 350 pupils startled all and sundry. In response, the group set up its own register to 'enrol' future pupils to the imaginary *Ysgol Bro Siôn Cwilt*. The Authority had claimed that on current figures the three concerned schools could only form a school roll of 80-90 pupils, too few to justify the investment. Local knowledge proved far more accurate. Parent support was solid and in no time at all a register of 116 pupils was established. Coupled with realistic future projections, later confirmed by the local authority, it seemed that any intended Area School would need to plan for an intake of at least 135 pupils – a decent sized school in any rural context.

The campaign gathered steam, gaining the support of the whole community – parents and grandparents, residents, staff and governors at the three schools, the local county councillor, the two community councils, the local *Cylch Meithrin*, chapel congregations, political groups and numerous voluntary organisations. The ten scattered hamlets of Bro Siôn Cwilt presented a united and determined front.

The arguments were duly presented to officers and councillors and eventually in December 2007, with the active support of a new Assistant Director of Education, Ceredigion County Council decided that a new school would be built at Synod Inn to accommodate pupils from Caerwedros, Gwenlli and Llanllwchaearn.

Where did the persistence come from to ensure the campaign was successful? First and foremost the whole issue was not seen by the local populace as primarily an educational issue. Rather, it was a matter of identity and community development. There is a strong sense of community in the area. It is a network of hamlets and villages with scattered resources and facilities that to all intents and purposes act as one social unit – Welsh in culture, agricultural in lifestyle. The truth of the matter is that demographics, parental expectation and mobility of transport have outgrown the community's outmoded schools. Having one decent school to serve a unified community made perfect sense.

Officialdom often plans its services on the presumption that rural communities simply live their lives as orbits of the nearest town or urban centre. They are mistaken. Bro Siôn Cwilt is not New Quay or Llanarth, although they are only a literal stone's throw away. It may be rural. It may not be immediately discernable on a map – GIS or otherwise – but it has a distinct and self-contained reality of its own. Locals know where the boundaries of their *bro* lie, down to the last hedgerow. The Campaign was for the recognition of the existence of a rural community in its own right.

Secondly, it was a campaign to strengthen the Welsh language. Locals and incomers – both Welsh-speaking and otherwise – were united in their vision of a strong educational focal point that could contribute positively to the continued vitality of the Welsh language and culture. Strength was seen in numbers as was increased stability and enhanced cultural opportunities. Bro Siôn Cwilt has a distinct and proud cultural identity incorporating its fifth century saints, Tysilio and Llwchaearn, the eponymous smuggler Siôn Cwilt, a mix of both agricultural and maritime traditions, a poetic tradition culminating in the famous Cilie family of poets, and the recent exploits of the highly successful Caerwedros YFC. Ysgol Bro Siôn Cwilt will carry that proud legacy into the future.

In the current clamour across Wales to 'Save Our School', what lessons can be learnt? For local authorities and pressure groups alike, the Campaign would stress that a blanket approach is invariably wrong. There should be different solutions for different situations. The Siôn Cwilt solution will not fit all but it may fit some.

Secondly, local authorities should plan on the basis of the local social reality and local identities, not solely on the basis of statistics, maps and service infrastructures. They should involve local communities. Involve everyone in the community, and not just parents and teachers. School reorganisations are more than planning education provision. plans They needs to mesh with a wider vision for the future of our rural communities, including the economy, transport, housing, culture and language.

Thirdly, campaign groups should not dismiss closure as an option if they can plan it on their own terms. They should have the confidence to forge a realistic and sustainable future for their community. This means realistic planning (and plotting) for the long-term.

The 2009 Autumn Term will herald the opening of a brand new primary school at Synod Inn, Ceredigion. I doubt if it will attract any headlines.

Gareth Ioan is co-ordinator of the campaign for Ysgol Bro Siôn Cwilt and chief executive of Iaith Cyf, the Welsh Centre for Language Planning

Campaigning against child poverty, outside the Assembly Government buildings in Cathays Park, Cardiff, in November 2007. The Liberal Democrat's Social Justice spokesman Chris Huhne, MP for Eastleigh, can be seen on the left of the picture.

anne crowley and stephen davies chart progress in eradicating child poverty in wales

missing targets

Ending child poverty is now a mainstream public policy, a goal adopted by all the main political parties in Wales. This reflects the outrage that in a wealthy country like ours, over one in four children are living in households below the commonly agreed poverty threshold of 60 per cent median income. Among the 25 European Union countries only Italy, Portugal and the Slovak Republic have higher levels of child poverty.

In 1999, Tony Blair committed his government to a bold pledge to eradicate child poverty in the UK 'within a generation'. Targets set by the UK Government, and subsequently adopted by the Welsh Assembly Government in its child poverty strategy *A Fair Future for our Children*, were ambitious: to reduce child poverty by a quarter by 2005, by a half by 2010, with eradication by 2020.

We are making some progress, but not enough. The rates of child poverty (measured as those households living below 60 per cent of the median income) fell faster in Wales in the first half of this decade than any other part of the UK. The child

poverty rate in Wales has come down to being only as bad as it is in the rest of the UK (28 per cent of all children) rather than its previous position as the worst in the UK.

However, the first target set by the New Labour Government in Whitehall and subsequently adopted by the Assembly Government of reducing child poverty by a quarter 2005, was missed by over 300,000 children and the progress made in Wales a few years ago has long since stalled.

A recent report published by the Joseph Rowntree Foundation on poverty and social exclusion in the Wales suggests the situation is getting worse with overall poverty levels in 2005-06 the same as in 2002-03. Across the UK, the latest 2005-06 figures are indicating that child poverty has risen by a further 200,000. In order to meet the next target of halving child poverty by 2010, governments now need to take action to lift a further 1.6 million children over the poverty line. On the current rate of progress, the UK and the Welsh Assembly Governments will fall short of their 2010 target by more than 1 million children.

Modelling by the Institute for Fiscal Studies has shown that in order to meet the 2010 target the UK Government needs to invest £4 billion extra per year in targeted tax credits. The Campaign to End Child Poverty is calling for these resources to be invested as a matter of urgency. One element of the £4 billion should be in seasonal grants, a lump sum payment paid at a rate of £100 per child in summer and winter, and £100 per household in winter, targeted at those in receipt of maximum child tax credit.

These lump sums would help poor families with expensive items and the particular costs associated with winter and summer time, for example extra child care in summer and winter fuel payments in winter. There is no silver bullet for eradicating child poverty but the most immediate and effective way of lifting children out of poverty is to directly increase family incomes.

Such income transfers remain key, but other measures within the remit of the Welsh Assembly Government are required if child poverty is to be eradicated in the longer term. The parents of 2020 are today's school children. The Assembly Government has demonstrated a commitment to tackling child poverty with a child poverty strategy (2006), an implementation plan (2007) and additional proposals in the *One Wales* programme of government. But as indicated, progress has stalled and it is time for a radical re-think of current policies and investment, by both the Assembly Government and the UK Government.

In partnership with the Bevan Foundation Save the Children has recently concluded a 'New Ideas' project identifying the most promising approaches to combating the most severe and persistent child poverty in Wales. The project investigated the circumstances of children living in the most severe child poverty in Wales, reviewed effective approaches, and made the following policy recommendations to the Welsh Assembly Government:

- Income maximisation: strategies to increase the incomes of families on benefit and those in low paid work. For example, increasing benefit/tax credit take up, streamlining administration and reducing the financial burden on poor families.
- Routes to employment: improving access to paid work (for those who can), making welfare to work support more flexible and family friendly, and making childcare provision more affordable and available.
- Education transforming life chances: improving learning and skills as a key route out of poverty. Recommended action includes incentives for schools to reduce inequalities, out-of-school activities, and personalised learning.
- Making public services deliver for families facing multiple disadvantage: Recommended action includes programme bending and provision of advocacy and better tailored mulit-agency, community-based support.

The report says attention should be given to common issues across these policy areas, including:

- Improving co-ordination of policy and action between Whitehall and Cardiff, across all functions of the Welsh Assembly Government, and between the Assembly Government and local government.
- More effective targeting of resources on those in greatest need balanced with non-stigmatising approaches.
- Reducing the 'post code lottery' whereby service standards vary hugely across different local authorities and public agencies.

Young people from the Cynon Valley meet with Rhodri Morgan as part of the Save the Children's campaign to end child poverty.

The report concludes by saying that if child poverty is a top priority for the Welsh Assembly Government it really has to deploy more of its own internal resources to the task of identifying how best to use its £14 billion annual Treasury block grant to eradicate child poverty in Wales.

The Labour-Plaid coalition Government's *One Wales* document contains a commitment to legislate to "establish a duty on public agencies to make and demonstrate their contribution to ending child poverty". Currently, the Assembly Government is negotiating an interim voluntary agreement for the public sector which will contain a set of principles to indicate their commitment to tackling child poverty.

A key local policy driver will be the 'Single Plan' that Children and Young People's Partnerships will have to produce in each of our 22 local authorities by July 2008. The plans require local authorities and their partners to work towards ensuring "that no child is disadvantaged by poverty". Within this context a Local Authority Child Poverty Project has been established by Save the Children, in partnership with the Welsh Local Government Association and the Assembly Government to assist local authorities in developing their corporate approach to reducing child poverty. The primary objectives of the project are to:

- Develop a web-based Child Poverty Toolkit that will support the implementation of a corporate and sustainable approach to tackling child poverty at the local level.
- Work with pilot local authorities Rhondda Cynon Taf and Gwynedd to test policy interventions and measure outcomes.
- Mainstream learning throughout local partnerships.

The toolkit will contain several sections that will support planners to explore and debate child poverty issues in their area, assess their current approach and agree local priorities to reduce child poverty.

Radical intervention and significant investment are needed if the 2010 target of halving child poverty is going to be reached. The nature of those interventions and the size of the investment required should not be underestimated. This year is a crucial staging post in the commitment to end child poverty by 2020. As well as lifting thousands of children out of poverty, meeting the 2010 target will provide real impetus to the challenge of ending it by 2020. There is much to be done and action needs to be taken immediately.

Anne Crowley is Assistant Programme Director and Stephen Davies is Project Support Officer with Save the Children's Wales Programme. Their 'New Ideas' project report can be accessed at www.savethechildren.org.uk

gareth bickerton describes a unique fund aimed at promoting off-beat initiatives

social entrepreneurs

A social entrepreneur is a person uses entrepreneurial principles to make social change happen. Whereas business entrepreneurs typically measure performance in profit and return, social entrepreneurs assess their success in terms of the positive impact they have on society.

UnLtd, a charitable trust funded by the income generated from £100 million given by the Millennium Commission in 2000, supports social entrepreneurs which it judges can transform the world in which they live. It helps people create change by providing small-scale funding to turn their ideas into reality.

Grants vary between £500 and £5,000 to help people get ideas off the ground, and larger awards, up to £20,000, for people whose ideas are already established and need development. In the last year UnLtd, whose founding organisations are shown in the accompanying panel, has distributed more than £1.5m in these small packages.

In Wales we have helped over 300 individual social entrepreneurs to set up and run projects that are transforming communities throughout the country. Although the people we help come from diverse backgrounds and places, they share a desire to change the world.

Charlotte Galsworthy has developed a gymnasium and community centre at Cwmafon in Neath Port Talbot.

That doesn't mean they are producing complex, global solutions to large-scale issues. More often than not they simply take a problem in their own community and make a commitment to tackle it. This may lead to something bigger, or it may not. But what makes a true social entrepreneur is that they have the will to make a difference, the vision to know how to go about it and the determination to make their vision happen.

So, for example, former Pobol y Cwm actor Bernard Latham and his wife Jane set up UCAN Productions to help children with visual impairments develop their own skills and confidence. UCAN Productions is a unique company for blind and partially sighted young people between the ages of 8 and 25. It is the first UK organisation to use performance arts as a tool to improve the overall well being of visually impaired young people. Bernard and Jane were able to use their UnLtd funding to develop the organisation in the UK and now have plans in place to work in theatres across Wales for the next three years. As Jane Latham said, "As well as the funding we have greatly benefited from the many contacts we've made".

Former *Pobol y Cwm* actor Bernard Latham rehearses with partially sighted children in a UCAN production.

Lawrence Toms and Lez Paylor set up their company Creative Paper Wales to produce low tech environmentally friendly paper. Their launch brand Sheep Poo Paper™ is produced at the 'Twll Golau' (Light at the End of the Tunnel) paper mill in Snowdonia. It is made with fibres recovered from sheep droppings. Managing Partner Lawrence Toms said "UnLtd has that rare capacity to be a funder that can share a vision".

Charlotte Galsworthy, a driven individual brought up in Cwmafon, saw a need to tackle the problems of community breakdown. With the help of her husband she took the bold and courageous step in 2006 of purchasing Calkadies, the local squash centre which had become empty. Over the past year Charlotte has worked tirelessly to develop Calkadies into an innovative resource for the local area. The building has been physically regenerated and already in place is a gymnasium and community facility.

Calkadies will become a unique family, social and fitness centre meeting the needs of the community of Cwmafan and beyond. It is special because once the project is complete it will be the only centre in Wales, and possibly the UK, where all abilities, diversities, incomes and ages can participate in fitness, social learning and community events within their own village.

UnLtd is a relatively small funding organisation but by identifying and supporting individuals across the UK it is achieving some remarkable results. A recent survey of 640 Award Winners found that 86,500 people benefited from their projects and just under a third resulted in new services or facilities.

Often the people we work with feel isolated as they tend to operate outside the current methods and strategies. However, the individuals we support are often inspirational leaders in the community or have the potential to be so. It is this focus on the individual social entrepreneur and their needs that makes our approach so unique.

Gareth Bickerton, UnLtd's Welsh Director, can be contacted at garethbickerton@unltd.org.uk

climate change challenge

Jane Davidson walking on the Garth Mountain near her home in Gwaelod-y-Garth, Pontypridd.

einir young puts the Assembly Government's sustainable development aspirations under the microscope

In pursuit of its legal obligation to place sustainable development at the heart of its activities the Assembly Government has given it a place at the Cabinet table.

Jane Davidson is currently the Minister for the Environment, Sustainability and Housing, a move for sustainability from the previous 'Sustainability and Rural Affairs' portfolio. Her responsibilities include planning, energy, water, waste and the promotion of walking and cycling. On behalf of the Cabinet she leads on Climate Change and Sustainability. This means that, in practice, sustainability is heavily skewed towards the environment. Indeed, Jane Davidson has declared herself to be "the Green conscience of the cabinet".

However, this raises the question: who are the economic and social justice consciences in relation to sustainable development? More importantly, who is integrating these activities? Unless we succeed in answering these questions we will have a lot of good intentions, many disjointed actions but few examples of true integration of social, economic and environmental policies.

It should be conceded that taking action on all three fronts presents the Assembly Government with a formidable challenge. For instance, it has set itself the target of "annual carbon reduction-equivalent emissions of 3 per cent a year by 2011 in areas of devolved competence." If this is to be done it will require difficult and often unpopular social, economic and environmental decisions, especially if the Assembly Government's economic development policies remain wedded to economic growth.

In 1987 *Our Common Future*, the report of the World Commission on Environment and Development, chaired by the Norwegian Prime Minister Go Harlem Bruntland, provided the most famous definition of Sustainable Development as that:

> *"... which meets the needs and aspirations of the present generation without compromising the ability of future generations to met their needs."*

A problem was measuring the amount of development that might be. In recent years this has been brought into focus by the debate over climate change. As the World Conservation Union puts it, Sustainable Development is that:

> *"... which improves the quality of life within the carrying capacity of the earth's life support system."*

There is a growing consensus that the earth's life support system will be irreparably damaged if our current emissions of greenhouse gases continue to heat up the planet. Hence the targets for reducing CO_2, which cannot be achieved with a business as usual approach. If we are serious we need policies that connect the dots between policies for the environment, economic development and social justice. Otherwise, the cuts in greenhouse gases we need to make could result in a significant and negative impact on economic growth with the concomitant misery to the most vulnerable members of society that is usually the result of a down-turn in the economy. Those whose short-term focus is to feed themselves and their families are less likely to be sympathetic to medium and long term sustainability issues.

However, there is little evidence that the Assembly Government has given sufficient thought to integrating the three dimensions of sustainable development. For instance, if one does a word search through the portfolio responsibilities of each cabinet member 'sustainability' appears only twice. It occurs once in describing Jane Davidson's portfolio and once in the description of Edwina Hart's health responsibilities, exempting her of any duty over genetically modified crops, which should be referred to the Minister for the Environment, Sustainability and Housing (Jane Davidson).

The word 'sustainable' appears three times, exclusively under Jane Davidson's remit. She is given cross-cutting responsibility for *sustainable* development, support for *sustainable* resource management, personal and social education including Education for *Sustainable* Development and Global Citizenship. This positioning of education in relation to sustainable development within Jane Davidson's portfolio rather than in Jane Hutt's education brief is illuminating.

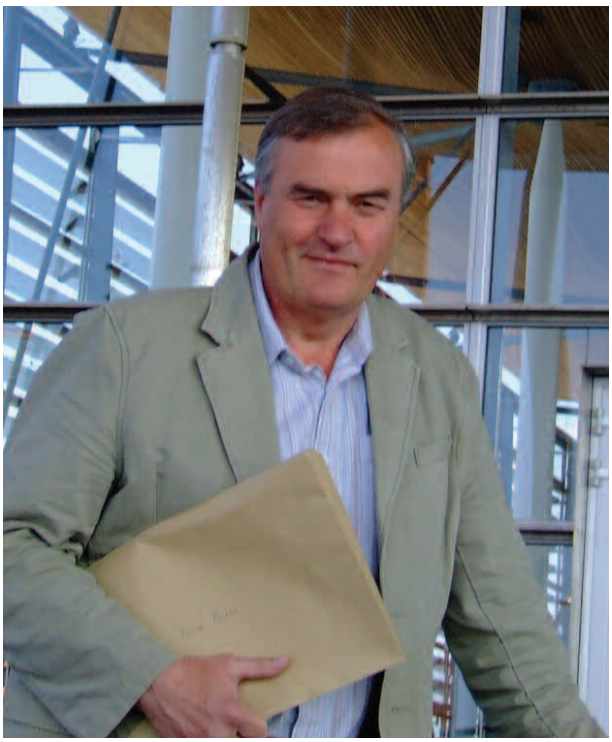
All the key dimensions of sustainable development can be found in the *One Wales* document: a strong and confident nation, a healthy future, a prosperous society, living communities, learning for life, a fair and just society, a sustainable environment and a rich and diverse culture. However, the descriptions of the various Minister's responsibilities described above give no indication how a joined-up approach is going to be achieved in integrating the environmental, economic and social considerations associated with all these issues. Parking responsibility for sustainable development with just one Minister is unlikely to deliver effective action.

members of the climate change commission for Wales

- Jane Davidson AM, Chair
- Cllr Matt Wright *Conservative Party*
- Dr Peter Randerson *Liberal Democrats*
- Jill Evans MEP *Plaid Cymru*
- Mike Batt *The Carbon Trust in Wales*
- Margaret Matthews *CBI Wales*
- *Paul Allen Centre for Alternative Technology*
- Dr Clive Walmsley *Countryside Council for Wales*
- Morgan Parry *Cynnal Cymru: Sustain Wales*
- Helen Northmore *Energy Saving Trust Wales*
- Chris Mills *Environment Agency Wales*
- Russell Lawson *Federation of Small Businesses*
- Cllr Richard Parry Hughes *Welsh Local Government Association*
- Cath Speight *Wales TUC – alternate nominee*
- Nick Ireland *Wales TUC*
- Peter Davies *Sustainable Development Commission Wales*
- Gerry Metcalf *UK Climate Impacts Programme*
- Mr Peter Jones *Wales Environment Link*
- Dr Kevin Anderson *Tyndall Centre*
- Claire Bennett *Welsh Assembly Government*
- Matthew Quinn *Welsh Assembly Government*
- Ceri Davies *Welsh Assembly Government – Secretariat*
- Steve Lloyd *Welsh Assembly Government*
- Cathy Madge *Welsh Assembly Government*

A land use representative has yet to be agreed amongst the invited organisations, and a Climate Change Champion representative will be included in due course.

Equally, the third Assembly has established a Scrutiny Committee for Sustainability. The other three Scrutiny Committees are for Communities and Culture, Enterprise and Learning, and Well-being and Local Government. I have trawled through the transcripts of the Sustainability Committee and failed to find a reference to it either discussing or defining what sustainability is, or what it is that it should be scrutinising. Its first action has been to conduct an inquiry into carbon reduction in Wales, so again it seems that sustainable development is being made synonymous with the environment agenda. There is a serious argument that the Assembly Government needs a Scrutiny Committee just for the Environment. This would leave space for a true 'Sustainability' committee to focus on how all three dimensions of Sustainable Development can be brought together, what the conflicts are and how they can be resolved.



Mick Bates, Chair of the National Assembly's Sustainability Committee which is conducting an inquiry into carbon reduction in Wales.

In the meantime, a key arena where the environmental issues associated with sustainability will be played out will be the new Climate Change Commission established by the Assembly Government at the end of 2007 under the terms of the One Wales coalition agreement. In a statement following the Commission's first meeting last December, its chair Jane Davidson declared it would have to do much more than inform the Assembly Government's policies and programmes. She wanted it to play a key role in "mobilising action by the public sector, by business and by voluntary organisations."

This is a laudable aim but whether the Commission's membership is broad enough to enable it to engage with the issues in an inclusive three-dimensional way is debateable. The Commission currently has 24 members, shown in the accompanying panel. Leaving aside the politicians and officials, there are 15 members, 10 of whom come from the environmental sector.

Four expert sub-groups have been established to take the Commission's work forwards, all, not unreasonably, with an environmental slant to their membership:

- Adaptation to Climate Change
- Emission Reduction
- Research sub-group
- Communication

I would argue that a fifth sub-group with a brief for, ''Integrating climate change into the cross-cutting themes of sustainable development" is required.

The environmental consequences of climate change will undoubtedly be dire but the social effects will also be severe. The Climate Change Commission for Wales is a step in the right direction. However, we need to know how its remit is to be worked through in relation to issues covered by the Assembly's scrutiny committees for Communities and Culture, Enterprise and Learning, and Health and Well-being. Are the politicians willing to put aside their differences and agree collectively to take the difficult decisions that will appear to many of them disadvantageous to their own agendas?

While the political debate continues, businesses are taking action in response to growing demand from consumers for products and services which take all aspects of sustainability into consideration. Successful companies let their customers know that they have a happy, looked after workforce and good customer relations; that they have addressed ethical issues such as animal welfare and child labour in their supply chain as well as gaining 'green' credentials. In this electronic age of immersive technology, customers are more able to blow the whistle on those who indulge in unsubstantiated 'greenwash'. Customers are also voters and will increasingly demand that their government addresses sustainability in a multi-dimensional way.

Einir Young is Head of Sustainable Development at the Welsh Institute of Natural Resources, Bangor University and Director of Synnwyr Busnes Business Sense service, which provides a Sustainability Health-check for businesses. The service, funded by the European Regional Development Fund, the Welsh Assembly Government and Bangor University is free to SMEs in the Objective 1 areas of Wales until 30 June, 2008: www.synnwyr-busnes.org

supergrass

The Institute of Grassland and Environmental Research, a few miles north of Aberystwyth.

phil cooke describes how a Welsh food innovation could help curb global warming

You have probably seen those cute little TV advertisements for Welsh lamb and beef. But have you noticed that as well as praising our quality meat they also extoll the virtues of Welsh rain?

Think a minute, however. Rain falls at least as heavily in much of western Britain, not to say the Atlantic shores of Ireland, Brittany and Galicia. However, we hear little of the relationship between food excellence in these regions and the presence of rain. So could the Welsh advertisers be simplifying a much more complex and interesting story?

New research conducted by Cardiff University's Centre for Advanced Studies suggests strongly that this is indeed the case. Nor is it that the traditional Welsh breeds give particularly distinctive natural advantage, except perhaps in their mountain qualities of leanness and some element of perceived flavour. The latter, you may recall, is captured in the old rustler rhyme that: "the mountain sheep are sweeter but the valley sheep are fatter, and so we deemed it better to carry off the latter". That judgement may have to be revised in light of what follows.

Miscanus or Elephant Grass in an IGER greenhouse – grown on marginal land it doesn't compete with food crops.

Decades of research at the world-leading Institute of Grassland and Environmental Research (IGER) at Plas Gogerddan on the Cambrian Coast a few miles north of Aberystwyth have been devoted to the apparently prosaic aim of improving cattle and sheep fodder. Although the Cambrian Coast was frequently known by its hippie-appellation of the 'Golden West' in the Led Zeppelin era when they composed 'Bron yr Aur' and other of their more folky offerings nearby, California this wasn't, any more than fodder was high-tech. Nevertheless, that judgement has now also to be revised.

For after lengthy experimentation and some false moves in the knowledge exploration and exploitation processes, IGER came up with a global winner in fodder technology in the 1980s. This is, of course, a euphemism for central Wales' humble but ubiquitous 'green desert' product, grass. However, *AberDart*, IGER's innovative and patented ryegrass, is no ordinary grass. It is, indeed a supergrass, otherwise known as SugarGrass. It earns a royalty of £100,000 per year from seed merchants throughout the UK.

Whence SugarGrass? IGER bioscientists wanted to understand how to increase the yield and quality of meat raised on Welsh grasses. This took them inside the rumen of these ruminants. It was discovered that enzymes that break down fodder inside the animals' stomachs consumed a substantial proportion of its energy value in the process. This deprived the animals of

precious protein and explained why, although the meat might be sweeter from the clovers, thyme and other mountain herbs consumed, it remained lean not to say meagre.

The brilliant insight was to recognise the need for sugar-suffused cross-bred grass that would satisfy the enzymes yet leave plenty of extra protein for the beef and lamb to augment and improve the nutritional and flavourful protein in the meat.

AberDart and its Aber-successors now take 50 per cent of the UK ryegrass seed market, the products being marketed through *Germinal Holdings*.

Other brainwaves for the future will arise from research currently being conducted into:

- Utilisation of yellow lupins as possible super-fodder, returning nitrogen to the soil as their seeds are turned into cake for cows and sheep.
- Rediscovery of kale as a general, improved cattle food.
- A chemical fertilizer-free soil improvement regime based on utilisation of organic manuring, suitably modernised.

These are all good news for the future of a low pollution agriculture with cleaner water, air and soil as important by-products. Yet this is merely the beginning of the SugarGrass story. For, some four years ago it was realised in tests that SugarGrass had twice the calorific value of sugar cane, the source of much of the world's biofuel.

As Ian Donnison, head of Bioenergy research put it, IGER had begun to evolve a second string to its grassland expertise by developing a renewables research division. One of the biofuel feedstocks in which it became supreme was the growing and processing of *Miscanthus*, more popularly known as Elephant Grass, an African tall grass that grows on marginal land. Accordingly, it doesn't compete for land with food crops, one of the criticisms of the US and Europe's 'bolt for biofuels'. This has seen the ears and cobs of wheat and corn being turned into ethanol because it's there and subsidised, causing up to 40 per cent increases in the price of such cereals, and grief in developing country food markets.

When asked who the competitors for IGER are in this specific bioenergy sub-field, Donnison scratched his head and eventually came up with "maybe Berkeley, now they have the BP endowment". This refers to BP's $500 million funding of a climate change research centre. He also mentioned the University of Illinois, but that was it. Currently, IGER has a lead on both of them. In any case, SugarGrass is also twice as calorific as *Miscanthus* and Donnison favours this technology as the best long-term bet to replace oil.

IGER has been in discussions with Welsh Government officials about the prospects of funds to help build an experimental biorefinery. Thinking had gone as far as to speculate that when oil ceases to be refined at the huge Milford Haven refineries in neighbouring Pembrokeshire, the pool of talent and infrastructural costs would make them ideal candidates for becoming SugarGrass (and *Miscanthus*) biorefineries. These could then continue to meet a large share of the UK's future energy demand, but without greenhouse gases.

Economic development for hard-hit rural Wales is also a consideration in this bioenergy research perspective. But it is not simply a spinout-venture capital model that is in mind. True to the traditions of co-operation among Welsh mountain farmers, there is a new vision of mixed farming whereby groups of farmers grow *Miscanthus* on their poorest soil, devote some fields for SugarGrass fuel cropping, and raise quality Welsh Lamb or Welsh Black Beef on their best SugarGrass land.

Precision farming, whereby seed is automatically sown in varying intensities according to data on variability in soil humidity and fertility, held in the laptop in the farmer's tractor cab, makes for enhanced efficiency and effectiveness in this increasingly high-tech farming model.

Farmer co-operation could also result in local, small-scale biorefining. SugarGrass is fermentable for extracting the juice that becomes ethanol to be used on farm or sold. But the dried remnants can also be used either as fodder or as feedstock for yet another bioenergy variant, biomass power station burning.

A bio-revolution seems to be afoot in rural Wales. Biofuels and bio-composites are also being researched and experimentally produced among groups of entrepreneurial farmers linked to Bangor University. Mercedes cars use hemp-based insulation material of the kind being produced by an eight-farm group in Snowdonia. 'Future Farmers of Wales', a 140-strong association of younger farmers willing to diversify into biofuels, functional foods and cosmeceuticals is also thriving.

It's a topsy-turvy world, but the long emergency of climate change and peak oil has stimulated hope of a lasting contribution from a potentially globally applicable technology developed where, to paraphrase the Inuit, we have 27 ways in which to describe the rain. Small rain, rain like old ladies and walking sticks (heavy), rain like bioethanol...

Professor Phil Cooke is Director of the Centre for Advanced Studies at Cardiff University.

on yer bike

Cyclists on the cob near Porthmadog.

lee waters on changing our travel habits

Joel Evans used to walk to school every morning. Even though it was dark there were plenty of lights on his route to school. That's because twelve year-old Joel walked down the side of a dual carriageway. His mother, Debbie, decided it wasn't safe. But dozens of schoolchildren still make the trip down the busy A40 trunk road twice a day from Carmarthen town centre to the Comprehensive school in Johnston.

The sustainable transport charity Sustrans is going to help the local community do something about it. Just before Christmas our Connect2 project won a £50 Million lottery grant. In competition with three other high-profile bids we won 42 per cent of the public vote. The 'People's Millions' prize will be allocated to 79 schemes across the UK and, together with other match funding, will see more than £12 Million spent in ten Welsh communities to make local travel more environmentally sustainable.

In Carmarthen, a new attractive route along the riverside will not only be a much shorter trip for pedestrians and cyclists than the current journey by road, it will be an altogether more

pleasant experience. It will encourage more people to travel in ways which benefit their health and the environment.

Connect2 is aiming to change people's mental maps of their area. By building a bridge over a river, or a crossing over a busy road, we are working with local people to overcome the obstacles which prevent them walking or cycling on everyday journeys. So, rather than automatically hopping into our car for short journeys, the obvious option will be to walk or jump on a bike.

If you live in Newport and want to get to Caerleon the common sense option at the moment is to drive. Students wanting to travel from the train station to the City's University, for example, face a hilly and busy road. As a result only the hardy choose to cycle. Sustrans plans to create a direct route from Newport City centre to the schools and university campus at Caerleon, passing through the Isca Roman Legionary Fortress and up into the Wentwood forest and the site of the Ryder Cup. This spectacular route along the riverside will create a wonderful walk for weekends, but also create a viable alternative to the car for journeys to school and to work.

Over the next five years we'll be building new bridges and paths, and bringing old ones back to life, in Port Talbot, Merthyr, Pontypridd, Tintern, Monmouth, Cardiff, Rhyl, Clydach, Carmarthen and Newport. In total the Connect2 project in Wales will put a new path within two miles of over half a million people.

Sustrans is not just a 'cycling organisation'. We are engaged in a series of practical projects to change people's travel habits. 'Behaviour change' is the name of the game. Who could have predicted a decade ago the lengths some of us now go to separate plastic, from cardboard and glass for the weekly recycling collection? But once we start to behave sustainably we become much more aware of our behaviour and its impact, and gradually start to alter it.

Experience shows that if you make it easy for people to get around on foot or by bike they will start to use their cars less. And with a quarter of all car journeys less than two miles long, the potential for change is enormous. Sustrans research shows that:

- Cycling provides a viable alternative to 31 per cent of car trips within towns;
- 21 per cent of car journeys could be easily replaced by public transport; and
- 15 per cent of car trips could be taken on foot if people had accurate information about the true length of journey times.

However, although it is often quicker to get about by bike or bus than it is to drive within towns, people still perceive door-to-door journey times by car to to be around twice as quick as public transport.

Of course, walking and cycling is not always a realistic alternative to the car. However, with simple interventions to make sustainable transport an attractive option, and better, more carefully targeted information, traffic congestion can be cut.

The costs of continuing our current direction of travel are manifest. Sewta, the transport consortium for south east Wales, puts the cost of congestion in their region alone at £600 million a year. The cost of continued sedentary lifestyles has been put at £49.9 billion every year by the UK Government's Foresight panel of scientists. The economic consequences of 60 per cent of the UK population being obese by 2050 are nothing compared to the human cost of coronary heart disease, diabetes, cancer, obesity and mental health problems.

And, of course, it is impossible to put a price tag on the profound impact of climate change – though Sir Nicholas Stern argues that unless we change course dramatically in the next ten years we are set for an economic downturn with greater economic impact than the combined effects of both World Wars and the Great Depression.

Added to all that, the oil company Chevron has recently warned that "the era of easy oil is over". The cost of oil has jumped from $13 per barrel in 1997 to the $100 mark at the end of 2007. Oil is a finite resource and the rate of its production cannot go on rising indefinitely. It must at some point reach its 'peak' and start falling.

That moment has already arrived, according to Sadad al-Huseini who, until recently, was a senior figure in one of the world's major oil producers – Saudi Aramco. He forecasts that the oil price will rise by $12 annually for the next four to five years, and says that within 15 years the world's oil resources will become "very severely depleted".

This is roughly equivalent to the rate of price increase over the last five years, implying continued rises in the cost of petrol at the pump in the short term. But because the world is so heavily dependent on oil, a small fall in supply, or simply failure to keep up with rising demand, is liable to cause steep price rises. This will have profound implications for the Welsh economy and transport system. Many more people are likely

"Cycling provides a viable alternative to 31 per cent of car trips within towns."

to find themselves struggling with the cost of car use if our society continues to be shaped on the assumption that we can all 'hop in the car'.

Although it would be trite to suggest that getting your bike out of the garage is a sufficient response to such grave threats, a shift to a more sustainable transport system is part of the solution.

Carbon emissions from cars constitute 13 per cent of the UK total. Our monitoring shows that over a quarter of the trips on the National Cycle Network last year were made by people who could have travelled by car but chose not to do so. Across the UK that amounts to a carbon saving equivalent to taking 180,000 cars off the road.

Our Connect2 project will help to bolster that trend. For example, commuters from Church Village into Cardiff who currently travel by car will have the option of a more active journey through a green corridor into Pontypridd. We will rejuvenate a disused railway line to link commuters with the train station and the two university campuses.

Sustrans work on practical projects over 30 years has led us to conclude that better integration of transport and planning is critical to enable people to travel shorter distances to work, shops and schools. Furthermore, we argue this should be coupled with a switch of resources away from road building to create conditions that will encourage people to walk, cycle and use public transport much more.

Our view has been endorsed by the National Institute for Health and Clinical Excellence (NICE). New guidance issued in January 2008 discourages car use and encourages more active travel. The Government's independent advisory body implores planning and transport authorities to ensure applications for new developments always prioritise the need for people to lead physically active lives by insisting on easy access to local facilities on foot or bicycle.

It's an irony then that it is illegal to walk to the new International Sports Village in Cardiff Bay from Penarth, or from the train station at Cogan. Pedestrians have been banned from walking alongside the busy road and only the very confident cycle along it. As part of our lottery grant we'll help build a new bridge over the river Ely for walkers and cyclists. Pont-y-Werin will truly be a People's Bridge. It will link people with public transport to the new swimming pool and will also complete a four mile circuit around Cardiff Bay to make a glorious promenade for locals and visitors alike. And it is our hope to build a new route linking the bridge with Barry and on to Bridgend.

Yet why should it be left to a charity to win a lottery vote to make it easier for pedestrians, people with disabilities and cyclists to get about?

Surely this should be Government core function. That's why Sustrans Cymru has submitted a petition to the National Assembly (backed by groups as diverse as BT, Royal Mail, the BMA and Play Wales) calling on AMs to use their new powers to ensure the Assembly Government's duty to provide a Trunk Road network is accompanied by a network of walking and cycling paths across Wales.

Lee Waters is National Director of the sustainable transport charity Sustrans Cymru: www.sustransconnect2.org.uk/

Artists' impressions of the proposed Sustrans bridges connecting Penarth with Cardiff Bay over the River Ely (left) and across the River Clwyd at Rhyl.

anwen elias surveys the Basque quest for greater autonomy within Spain

self-determination

In February 2005, the Spanish Parliament voted to reject the so-called *Plan Ibarretxe*, a proposal that envisaged the creation of a semi-independent Basque Country within a pluri-national Spanish state. Most political parties and observers could have been forgiven for thinking (and hoping) that this was the end of attempts by the Basque National Party (PNV) and its leader (and the plan's namesake), Juan José Ibarretxe, to re-negotiate the basic constitutional structure of Spain.

Basque leader Juan José Ibarretxe, author of his eponymous self-determination plan.

However, in September 2007 Ibarretxe stated his aim to re-open negotiations on Basque sovereignty and self-determination. In a declaration to the Basque parliament, a commitment was made to launch bilateral talks with the Spanish government on the future status of the Basque Country. Regardless of whether or not a satisfactory agreement would be forthcoming, the PNV declared its intention to hold a referendum on Basque self-determination on the 25th October 2008.

On the same day thirty years previously, the so-called Statute of Guernika approved the creation of new autonomous political institutions for the Basque Country, established as part of Spain's transition to democracy. If successful, a referendum giving Basque voters a right to decide on their own future would inaugurate a new era in the history of the Basque nation.

The resurrection of the *Plan Ibarretxe* was a response to two important developments in Spanish politics over the preceding year. Firstly, the approval by referendum of a new Statute of Autonomy for Catalonia in June 2006 indicated that the political climate was propitious for re-opening negotiations on self-determination with the Spanish state. This confidence was bolstered by a second important development, namely the failure of negotiations between the state and the Basque separatist group ETA on bringing political violence to an end.

Contacts between the state and ETA had been initiated in March 2006, when the latter declared a ceasefire. However, ETA's refusal to disarm plus the group's decision to formally break the ceasefire in June 2007, dispelled any hopes that an enduring peace settlement could be secured through dialogue and negotiation. In this context, the re-launching of the *Plan Ibarretxe* was an attempt to seize the initiative away from radical nationalists and the state, by providing an alternative blueprint for settling the long-standing confrontation between the Basque periphery and the state authorities in Madrid.

Predictably, the re-launching of the *Plan Ibarretxe* provoked a strong response in Madrid from political actors of all colours, as well in the Basque Country. The governing *Partido Socialista Obrero Español* (PSOE) was quick to insist on the unconstitutionality of any referendum held unilaterally without the prior approval of the Spanish parliament. For its part, the right-wing Partido Popular (PP) balked at yet another threat to Spanish sovereignty, which had already been compromised by the approval of the allegedly un-constitutional Catalan Statute of Autonomy.

In the Basque Country itself, ETA and other radical-left political groups denounced the *Plan Ibarretxe* as a "new fraud" which merely served to distract attention from the real goal of full independence. Even within the PNV itself, objections were voiced against the lack of intra-party consultation on the plan's content and the timetable for its implementation. The party's President, Josu Jon Imaz, resigned in September 2007 due to disagreement with the plan's explicitly sovereigntist goals and uncompromising strategy vis-à-vis other Basque and state-wide political actors.

However, whilst political responses to the re-launching of the *Plan Ibarretxe* in Spain have been largely negative, the initiative has resonated with debates elsewhere in the world about the rights of national groups to self-determination. In Scotland, the SNP has also declared its intention to hold a referendum

on the future constitutional status of the nation. In Wales, the Labour-Plaid Cymru coalition is committed to holding a referendum on expanding the competencies of the Welsh Assembly "at or before the 2011 election". In February 2008, the Kosovan parliament approved a declaration of independence that paves the way for the region's secession from Serbia, pending recognition of Kosovan sovereignty by the international community.

These debates all highlight the importance of issues of nationalism and identification for any pluri-national state, where the basic principles that define the polity – democracy, sovereignty and legitimate political authority – are highly contested. In this respect, the PNV's push for Basque self-determination is another example of a familiar struggle by nationalist movements in different places to secure a more satisfactory configuration between the national community and the political structures where decisions are taken on the nation's affairs.

Unsurprisingly, this international dimension has been exploited by the PNV as a means of legitimating its own attempts to bolster the constitutional standing of the Basque Country. In a speech at the University of Stanford in the US in February this year, Ibarretxe invoked these different examples of nationalist contestation, as well as the right of national self-determination embodied in various international legal treaties, to legitimise his own party's struggle for national freedom.

But there is a limit to the degree to which these debates will have an impact on how the Basque-Spanish negotiations pan-out. Ibarretxe's alignment of the Basque conflict with broader international debates on the rights of nations is of course symbolically highly important. However, achieving the *Plan Ibarretxe*'s concrete goals depends entirely on the extent to which support can be mobilised within the domestic political arena.

Spanish Prime Minister José Luis Rodriguez Zapatero, leader of the PSOE may need the Basque PNV to prop up his government. Will he trade greater autonomy for their support?

And in this respect, the prospects for establishing a semi-independent Basque Country are decidedly gloomy. In general elections held on the 8 March 2008, the PNV's share of the Basque vote and number of representatives in the Spanish parliament and senate declined. The party lost its long-held position as the first political force in the Basque Country to the state-wide PSOE.

The swing towards PSOE can in part be explained as a reaction to ETA's assassination of an ex-PSOE councillor in the Basque town of Mondragón a few days before the election. It may also have been the result of strategic voting on the part of Basque voters anxious to keep the state-wide PP – ideologically opposed to constitutional reform – out of central government.

But electoral defeat also reflected a more general disillusionment among voters with the PNV's constitutional ambitions and the adversarial style of its leader, Ibarretxe himself. The results pave the way for a period of instability within the PNV, as the party faces the very real prospect of losing government office in the Basque Country in the autonomous elections scheduled for early 2009. Voices opposing Ibarretxe's plan will no doubt re-emerge in an attempt to dilute the party's sovereigntist political rhetoric and its go-it-alone strategy.

But what eventually comes of the *Plan Ibarretxe* will also depend on political dynamics at the state-level. With the PSOE returned to government without an absolute majority in the Spanish parliament, the need for political alliances leaves open the possibility that the PNV will be able to trade legislative support for new concessions on Basque autonomy. This will almost certainly not mean an agreement to enact the *Plan Ibarretxe* in full. Instead, the challenge will be to find a level of compromise that is palatable to all of the negotiating partners.

PSOE will be intent on finding a balance between institutional reform and safeguarding the basic constitutional structure of the Spanish state. The PNV will be mindful of the need to retain credibility ahead of the forthcoming Basque autonomous elections. In this context of political uncertainty, it remains to be seen to what extent any new settlement for the Basque nation will satisfy Ibarretxe's demands for full national self-determination.

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The Breizh Touch parade in Paris in September 2007.

breizh touch

andrew lincoln explores the paradoxes facing the Breton movement for autonomy within the French unitary state

Nobody can suppose that it is more beneficial to a Breton, or a Basque of French Navarre, to be brought into the current of the ideas and feelings of highly civilized and cultivated people – to be a member of the French nationality, admitted on equal terms to all the privileges of French citizenship, sharing the advantages of French protection, and the dignity and prestige of French power – than to sulk on his own rocks, the half-savage relic of past times, revolving in his own little mental orbit, without participation or interest in the general movement of the world.

J.S. Mill, Considerations on Representative Government, 1861

Had J.S. Mill been transported by some sort of Wellsian time-machine to Paris, that heart of French civilization, culture and power, on Sunday 23 September 2007, he would have been intrigued. Far from finding the last specimen of 'the half-savage relics of past times' tucked away in some Parisian zoo, he would have witnessed the spectacle of three thousand Breton dancers and musicians processing and performing down the Champs Elysées Avenue, cheered on by over a quarter of a million spectators and broadcast live to the (French) nation on TF1, the country's leading television channel.

This Breizh Parade was the closing ceremony of a promotional week for Brittany in Paris called Breizh Touch. On the banks of the river Seine Breton trawlers had taken up position as part of an exhibition of Brittany's wide range of sea-related activities, which include innovating marine science and engineering. Meanwhile, down near the Montparnasse station, the traditional arrival point from Brittany, a new and more ambitious Brittany House was launched with an exhibition entitled Digital Breizh concentrating on the work of her information and communication technologies cluster.

Breizh Touch was organised by the Brittany Regional Council with the support of the five departments (the French equivalent of counties) which make up historic Brittany. The name of the event, with its association of Breton and English, matched the content with its mix of high-tech modernism and pride in certain cultural continuities. It was also a fairly true reflection of the new style adopted by the Brittany Regional Council since March 2004, when the left won the regional elections for the first time.

That election brought together at least two important threads in recent Breton history. Firstly, the rise of the left in a country that for over a century has produced a majority conservative or Christian democrat rural vote anchored in a deep attachment to Catholicism, even if small areas had always elected progressive republican representatives. Vatican 2, and the end of the use of the pulpit to dictate godly ways of voting, freed the Catholic vote in the mid-sixties and its Christian Democrat component in particular began to slide leftwards.

The regional elections of 2004 revealed the depth of the process in a country which is now to the left of France as a whole. With nearly 59 per cent of the vote, the left obtained its second highest score of any region. This result was confirmed by two of the five departments going left for the first time in a hundred and fifty years, leaving only the Morbihan held by the right.

Secondly, this election was part of a political renewal that has emerged since the Breton cultural awakening of the 1960s. A closer look at the components of the left and the general orientation of their programme brings this out. The left is in fact a progressive coalition made up of the Socialist Party and the Communist Party, on the one hand, and the Greens and the UDB (Breton Democratic Union) on the other. The two groups of partners ran separately in the first round, winning respectively 38.5 per cent and 9.7 per cent of the vote, and came together to form a single list for the second. Such coalitions already ran many of Brittany's larger towns such as Nantes, Rennes, Brest and Lorient. However, the previous regional electoral system – a one-round proportional list system – had not encouraged alliances at that level. It had also produced consistently poor results for the UDB, hovering between 1.5 per cent and 4.2 per cent of the vote.

Coalition proved productive for all of the four parties concerned. The PS (Socialist Party) is the senior partner with 40 out of the 58 left councillors. Its leader, Jean-Yves Le Drian, is therefore President of the Council. However, he is very much a member of the second-left tendency within the PS, which developed strongly in the 1960s and 1970s. This means that like significant sections of the Breton PS he has more decentralising and pluralist political views than the average French socialist. This makes for good coalition politics, from which in many ways the UDB has benefited the most as an organisation. It obtained its first four regional councillors ever and an influential vice-presidency responsible for European and international affairs. A party whose political programme is based upon a large degree of autonomy for Brittany has thus become part of the region's executive.

The spirit of the coalition's manifesto was very much to give Brittany a 'true' regional council, after eighteen years of minimalist use of the institution by a right that was fairly Jacobin in its orientations. This meant swapping a 'narrow conception' of the region based upon strict observance of its transferred powers, for a 'more general and strategic' one, based upon real political voluntarism. Early drafts of the manifesto even spoke of the need for a Parliament.

This again corresponded to one of the threads in recent Breton history. Breton civil society mobilised strongly in the 1950s to fight for the economic modernisation of Brittany.

Figure One: Historic Brittany – the five departments created in 1790.

Figure Two: Post war Brittany – without the Loire Atlantique.

Figure Three: The project – Brittany's reunification as part of building coherent neighbouring regions.

Subsequently it played a pioneering role in the complex process which finally led to the creation of regional councils throughout France in 1972 and their direct election for the first time in 1986. Thus the first of the Commissions for Regional Economic Development – the embryo organisations from which the councils were later to emerge – had been set up in Brittany in 1964. But it was the Gaullists who were dominant within the Breton right when the directly-elected Regional Council at last came into existence. As a result, Brittany was presided over for eighteen years (three terms of six years) by two politicians best described as being primarily servitors of the French state. With the arrival in power of a much more regionally rooted executive, the Regional Council is finally in phase with its historical antecedents.

So Brittany pipped Wales to the post in the art of obtaining progressive coalitions. Among the problems it has to deal with, however, are two that Wales has managed to put behind her. First, there is the non-respect of the historic territory of Brittany. Despite the French Revolution's abhorrence of anything deemed to be remotely related to feudalism, such as the old provinces of the monarchy, the frontiers of the old Duchy of Brittany had been scrupulously respected when France was divided up into departments in 1790. The eastern frontiers of the two eastern-most departments, the Ille-et-Vilaine and the Loire Atlantique, were those of the former province.

However, when regions were defined for the first time in 1941 the Loire Atlantique and the historic capital of Nantes were separated from the rest of Brittany. These first Vichy-regime economic regions proved short-lived but the detachment of the Loire Atlantique became a permanent feature of regionalisation. It was maintained in all the subsequent regional divide-ups of France whether they were for regional policy in 1956, for the central state administration in 1960 and 1964, or for the creation of a new level of local authority in 1972 and 1982. Administrative Brittany as it is called is therefore made up of only four out of the five historic departments and the Regional Council is elected on the same basis.

The present Regional Council is actively in favour of the reunification of Brittany and has set up a Joint Committee with the Loire Atlantique Council to work together on questions of culture, sport, tourism, environment and interregional relations. Will the question go any further than this? Taking the long-term view, it is certainly likely that at some stage France's regional boundaries will be reorganised because by European standards her twenty-two regions are on average too small. In fact they are all classified as NUTS2 areas and are already regrouped into eight regional policy zones which figure at the same administrative level as Wales, namely NUTS1. This also reveals a long term danger: that technocrats could be tempted to try and make Brittany disappear into something already referred to as the West or the Great West.

The road to reunification avoiding that particular bureaucratic nightmare is relatively narrow. Nantes is one of France's most dynamic towns. The Loire Country Region of which it is now part is resolutely against change. Reunifying Brittany could, however, be part of a more general project that would also produce three larger and more coherent regions to her east. Reunification also has the almost unanimous support of the councillors of the two local authorities most immediately involved, the Brittany Regional Council and the Loire Atlantique Council. It was significant too, that since the 2004 regional elections the Loire Council has been led by Patrick Mareschal, the first person to preside over the Committee for the Administrative Unity of Brittany set up in 1980.

Public opinion on the subject, however, is less committed than once believed. Several opinion polls carried out since the mid 1980s asking simply whether people were in favour of reunification produced impressive positive majorities throughout the five departments. A recent more extensive poll carried out in 2006 has produced what is no doubt a more accurate account of opinion on a subject which for many people is relatively secondary. Thus in the Loire Atlantique two similar questions asking whether people were in favour of reunification or the status quo produced two contradictory majorities of 55 per cent and 60 per cent in favour of both. Taking such weak involvement into account, the true picture seems to be about 28 per cent firmly in favour of reunification, 35 per cent against and 37 per cent undecided. In other words public opinion is far from hostile but above all either undecided or simply not involved in the question. There is plenty of opinion-shaping political work left to be done.

The other difficult historical legacy is the place of the Breton language within Breton society. The last census, carried out in 1999, revealed the number of speakers had dropped from 600,000 in 1983 to 264,000, 61 per cent of whom were over sixty years old. This represented 8.5 per cent of the total population. However, this rose to 20 per cent in the western area known as Lower Brittany, where the language had been spoken by 75 perr cent of the population at the beginning of the twentieth century. The effects of the virtual ending of family transmission in the 1950s are cruelly evident.

A linguistic policy figured among the thirteen priorities of the left in their 2004 manifesto. This was itself a minor revolution brought about by thirty years of tireless lobbying by the cultural movement. *A Linguistic Policy for Brittany* was promptly and unanimously adopted in December 2004. Given the language's demography, the policy is centred upon bilingual education. The only quantified objectives are to increase the number of pupils within the bilingual schools or streams from 9,700 in 2004 to 20,000 in 2010 and to train 150 teachers per year. In reality that level of expansion will not take place. The total for the present school year is only 11,372 and the increases registered over the past two years have been about 660 rather than the 1,600 that was necessary if the objective was to be attained.

Over and beyond the complex sociolinguistic factors which help to explain the current situation of the Breton language, the Regional Council is here confronted by its own lack of

Pupils at the Breton-speaking École Diwan, in Paris.

power. French decentralisation is a very weak form of devolution. To try and capture its reality using British terminology, it might be termed a democratic form of administrative devolution. In carefully delimited areas decision-making and management, along with a little financial autonomy, have been transferred to quasi-autonomous units of local government with corporate status. All primary and secondary legislative functions have been retained by Paris and the regions find themselves in direct competition with the departments for new devolved powers.

To take the example of education, this means that the regions have responsibility for lycée buildings, their everyday running and maintenance, and their budgetary needs over and beyond the wages of teachers which are paid directly by the State. The communes and the departments have a corresponding level of power as regards primary and junior high schools. However, none of the local authorities have any direct influence on what is taught, the number of teachers employed, or their training and recruitment, all of which remain with the Ministry of Education.

In these conditions it is very difficult for the Brittany Regional Council to have a direct impact upon the offer of bilingual education within the state sector. The teaching of Breton as an option within secondary education is in fact being cut back, while the Ministry of Education's attitude to bilingual primary education is dilatory, and often inconsequent when it comes to providing continuity in secondary education.

Wider constitutional obstacles also make it complicated for the Region to support the Diwan schools, which provide Breton-medium education, as effectively as it would like to. They are deemed to contravene article 2 of the Constitution which states that "the language of the Republic is French".

So living in a unitary state, as opposed to a union state like the UK, makes certain aspects of life very difficult. Despite the cultural panache of its musicians and dancers, a well organised civil society, and now a fairly well articulated political voluntarism, Brittany is confronted by the paradox of her French situation.

To move forward in a political culture of uniform 'equality' across the French state, it will be necessary to win new rights for all of the regions. However, few of them have the same strong sense of identity or the eagerness to increase their powers as Brittany. To a certain extent, time is on her side because the centralised French state is proving increasingly dysfunctional in a rapidly moving world. However, on some questions, and especially the language, there is no more time to lose.

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lie of the land

david meredith celebrates the life of a favourite artist

One morning in 2005, I called to see Kyffin at Pwllfanogl, his home at Llanfair PG, Anglesey. In his 85th year, he was hard at work in the kitchen. Seeing a large pile of uneven 20" x 16" sheets of paper, I exclaimed "Good heavens, you've been painting all this work". Kyffin replied immediately "No, I have not been painting, I've been drawing and colouring". Kyffin was always precise, he was always exact, and he was also highly disciplined in pursuing his chosen profession of being a professional artist.

The report of my first meeting with the artist back in the early 1970s had caused consternation in the Board Room at HTV. On behalf of the Company I had invited Kyffin to judge a National Art Competition organised by HTV at the Royal Welsh Show. He undertook the commission with great vigour and excellence.

Reporting back to the HTV Directors at a Board Meeting in Cardiff, I was asked by the great connoisseur Wynford Vaughan Thomas if I had given Kyffin some decent wine at the lunch following the judging. When I said no he gasped in horror, along with several other directors – no wine given to the great artist! A few seconds later, Wynford and his fellow directors were greatly relieved to hear that Kyffin had been offered wine, but that he had declined the invitation. He was a diabetic and did not drink alcohol.

Over the following 35 years, I was privileged to be regarded by Kyffin as a friend. Several factors contributed. We shared a sense of humour, both of us appreciating the ridiculous. My father was a minister of religion, Kyffin's forefathers had served the Church with great distinction. We had both been schoolteachers, though Kyffin for a considerably longer period, over thirty years compared to my five.

The teaching link lay at the root of our relationship. I was to learn such a lot about art and the arts from Kyffin. Sitting at

The artist and David Meredith chatting over breakfast in a restaurant overlooking St Mark's basin and the Lagoon, Venice, during filming *Reflections in a Gondola* in 2004 (reproduced from *Kyffin in Venice*, Gomer, 2006).

his feet I was a willing pupil. Discussing art with him was such an exhilarating experience. We would compare our visits to the great galleries of Europe – the Prado, the Uffizi, the Louvre and the Rijks Museum. Kyffin's one-to-one art tutorials were conducted in a non-condescending manner. But it was always an uplifting experience for me.

He often said that although he was not a fluent Welsh speaker he did paint in Welsh. There is no question that Wales and Welshness, the Welsh people and their landscape was central to his being. As he put in his autobiographical volume, *Across the Straits*, "My Welsh inheritance must always remain a strong force in my work for it is in Wales that I paint with the greatest freedom." I suspect that Kyffin could have said of Wales, as T.H. Parry Williams once said, "Duw am gwaredo ni allaf ddianc rhag hon" (Save me God I cannot escape from the nation).

Kyffin on the Grand Canal, reproduced from *Kyffin in Venice*, Gomer, 2006.

Kyffin derived great succour and strength from the knowledge that his paintings gave people so much pleasure. In recording with such accuracy our cowsheds, farmsteads, stonewalls, mountain slopes, castles, chapels, high peaks, waterfalls, and shorelines he gave us all pride in our own country. He educated us in the infinite glory of our landscape, taking us to the nooks and crannies. Some of his scenes are familiar. In others he introduced us to new areas of Wales. All were captured for us for ever in his powerful canvases.

Kyffin was a pictorial magician, an artistic powerhouse. The combination of colours, the way he used his palette knife, the thickness of his paint, all contributed to the creation of highly desirable images that dance on our retinas. Depending on the light, a Kyffin painting changes constantly, the waves in his water colours and oil seascapes seem to move in front of our very eyes.

Moreover, his paintings are highly accessible. No explanations or printed notes are required. The viewer need only be prepared to be inspired. You experience the same awe in standing in front of a Kyffin mountain scene as standing in front of Crib Goch or Cadair Idris.

Wales's greatest 20th Century artist, Kyffin defied convention in so many ways. At one time he was the Establishment's favourite portrait painter, before deciding not to accept any more commissions. Yet he not only painted the portraits of the movers and shakers, but recorded with love and compassion his 'gwerin', Mrs Hughes with duster in hand, and Mrs Rowlands, of Llanfair yng Nghornwy, two of the inhabitants of his beloved Anglesey.

Sir Kyffin Williams, Deputy Lieutenant of Gwynedd, lived in a rented house on the Menai Straits. Although he had no extensive grounds at Pwllfanogl, in a way the whole of Anglesey was his estate. But he had no delusions of grandeur and kept his feet firmly on the ground. Living in a non-pretentious way, he had everything he needed to be an artist – his talent, his home, his studio, and above all the land of Anglesey under his feet, and the mountains of Gwynedd smack in front of his front door. At the same time he was driven by what he described as "a sense of duty" towards Wales. As he put it in *Across the Straits*:

> *"One of the strangest emotions that plagues one is that of a sense of duty, and it is possible that this stems from my clerical background, for my forbears were people with a strong social conscience. Duty to what or to whom is a difficult problem to solve, but I feel it is something to do with Wales and the importance of recording its landscape and people."*

In 1987 I was involved, on behalf of HTV, with his great retrospective exhibition at the National Museum, and at other venues across Wales. Also in 1987 I presented a programme on Kyffin and his work in the 'Artists Series' for HTV and S4C. Involvement with Kyffin in many artistic events followed over the years. In 2004 these reached a pinnacle when my friend John Hefin and I realised a dream of taking Kyffin to Venice, where John was to direct Kyffin in a classic of the box, *Reflections in a Gondola*.

Gwenda Griffith was the Producer and it was her company Fflic that was commissioned by the BBC to produce this classic. The programme begat the book *Kyffin in Venice*, when I interviewed Kyffin in what is the last comprehensive interview with him before his death in September 2006.

It was in November 2006 that I received an invitation from Barddas – the Poetry Society – to edit a book on Kyffin's life and work in the *Bro a Bywyd* series. This pictorial record of my hero's life will be the first bilingual volume in the series and the first on the life and work of an artist. *Kyffin – His Life, His Land*, designed by Dafydd Llwyd, will feature many unseen

photographs from his long and varied life as land agent, a Captain in the Army, a student at the Slade School of Fine Art, as a teacher and as a prolific artist for over sixty years.

This will be a book to be treasured. One special feature will be the inclusion of a photograph of a special sculpture, the first of its kind, prepared to commemorate Kyffin. The sculpture is by Chris Kelly, the artist who prepared, amongst many other sculptures in Wales, the centenary sculpture for the Royal Welsh Agricultural Society which can be seen on the Royal Welsh Showground at Llanelwedd. This sculpture features a farmer, his dog and a ram. Chris Kelly based the farmer on one of Kyffin's much loved paintings of a Welsh farmer.

The Maquette Memorial bronze sculpture, measuring 11 inches in height, features Kyffin sketching. It will be available from Castle Fine Arts, Llanrhaeadr ym Mochnant, Powys, whose Chairman Chris Butler is a stalwart in the promotion of artistic endeavours from Llanrhaeadr to Venice and from the Millennium Centre to Serbia!

'Success' in Wales was once defined as "A house in Pontcanna, a Volvo in the garage, and a Kyffin on the wall". May I suggest that after 2008, the words "and *Kyffin – His Life, His Land* on the coffee table" should be added.

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Sun on the Sea (oil 30" X 30"): catalogue cover from a Kyffin exhibition at the Albany Gallery, Cardiff, and Oriel Plas Glyn-y-Weddw, Llanbedrog, Gwynedd, in 2002.

house party

Gregynog Hall in Montgomery shire. There has been a building on the site since the 12th Century. The present Hall was rebuilt in the 1940s, as an early concrete structure, and bought by the Davies sisters in 1920.

rhian davies previews the 75th anniversary Gregynog Festival

The Davies sisters, whose Impressionist paintings at the National Museum were celebrated in the Industry to Impressionism exhibition last year, were not only famous for their art collection. They were great promoters of music as well. Gwendoline and Margaret's early musical experience ranged from recording folksongs with a phonograph in rural Montgomeryshire to attending performances of *Lohengrin* and the *Ring* at Wagner's Festspielhaus in Bayreuth.

Each also worked to develop her own talents. Gwendoline played a Stradivarius violin known as the 'Parke' and her surviving sheet music, acquired as far afield as Paris and Dresden, is covered in fingering, bowing and other performance markings. She passed the Intermediate level examination of the Incorporated Society of Musicians at Wrexham in 1897, although the official paperwork was careful to include the solemn disclaimer, 'This Certificate does not qualify the holder to practice as a Professional Musician'.

That said, the programme of a recital given under the auspices of the University College of Wales Musical Club at Aberystwyth in 1911 proves that she was capable of a public performance of the César Franck *Sonata*. And Margaret, although generally regarded as a painter and wood engraver, also took formal singing lessons and is believed to have studied the harp with Gwendolen Mason.

By the time the sisters purchased Gregynog from their brother David in 1920, they had become increasingly involved in the patronage of music as well as art. In 1914, under conditions of great secrecy – and rampant press speculation – Gwendoline had agreed to provide £3,000 a year to establish a Welsh School of Music at Aberystwyth which would offer high-level instrumental tuition alongside a programme of outreach through chamber concerts. The scheme foundered not only because of the First World War but also when news that members of the French-based Gaston Le Feuve Quartet were to form the backbone of Faculty staff provoked the enraged local response: "Could there not be found one English or Welsh ewe-lamb capable of teaching Welsh lambs how to baa?"

However, a fresh opportunity for musical missionary work came in 1919 through the creation and endowment of two simultaneous positions for Henry Walford Davies as first Gregynog Professor of Music at Aberystwyth and first Director of the National Council of Music for Wales.

Once Walford Davies began bringing his Aberystwyth students on retreat to Gregynog and arranged that the annual conferences of the National Council of Music should take place at the Hall, the sisters decided to transform the billiard room into a dedicated space for music-making. The elaborate central fireplace gave way to a three-manual organ, installed by the noted maker Frederick ('Daddy') Rothwell to Walford Davies' personal specifications.

Gwendoline Davies enjoyed playing the Gregynog organ for relaxation and would accompany Dora Herbert-Jones in performances of 'He shall feed his flock' from Handel's *Messiah*. Dora, the well-known traditional singer and broadcaster, had been friendly with the Davieses for several years before accepting an appointment as personal secretary to Gwendoline in 1927. A vivid entry by Ernest Rhys in the Gregynog Visitors' Book recalls her at the heart of a 'joyous jamboree' of impromptu folksinging in the Front Hall.

The sisters and Dora were also members of the Gregynog Choir, an ensemble of estate workers and other local people which first sang at the Hall in 1929. Following a performance of Vaughan Williams' *Benedicite*, directed by the composer himself, in 1932, the Choir went on to become the backbone of the original Gregynog Festivals, 1933-38. Fellow performers included Adrian Boult, Jelly d'Arányi, Leila Mégane and Elsie Suddaby, while audience members were equally distinguished: Thomas Jones, George Bernard Shaw and Joyce Grenfell. The Choir appeared at Royal Command Concerts in the Albert Hall in 1935 and 1938 as well as making several broadcasts including a live relay of Bach's *St Matthew Passion* from Gregynog's Music Room at Easter 1939.

After the death of Gwendoline Davies in 1951, a second sequence of Festivals, 1956-61, was directed by Ian Parrott, one of Walford Davies' successors as Gregynog Professor of Music at Aberystwyth. Helen Watts, Redvers Llewellyn and Evelyn Barbirolli were among the outstanding soloists he engaged. In 1972 a one-off Festival featured a recital by Benjamin Britten, Peter Pears and Osian Ellis before the third and present series of Festivals was revived by the tenor Anthony Rolfe Johnson from 1988.

Gregynog has continued to attract international artists such as John Lill, Benjamin Luxon and, most recently, Emma Johnson and The King's Singers. It has also created opportunities for emerging young musicians who have gone on to develop their own stellar careers including Guy Johnston, Frederick Kempf and Bryn Terfel.

Artistic planning for the 75th anniversary Festival has been driven by original research to identify a wealth of previously undocumented materials in public and private collections about Gregynog's rich musical life. All the events have been created especially to honour Gwendoline and Margaret Davies as patrons and practitioners of the arts. The programme offers an unique opportunity to enjoy a feast of rare repertoire in the setting for which it was written.

Music by major composers known to have visited Gregynog and Montgomeryshire will feature throughout the Festival, notably Peter Warlock (1921-24), Béla Bartók (1922), Edward Elgar (1924), Gustav Holst (1931 and 1933), Ralph Vaughan Williams (1932), William Mathias (1954), Arthur Bliss (1959) and Benjamin Britten (1972). Three compositions with Gregynog connections will receive their world première performances – two Welsh folksong arrangements by Vaughan Williams, *Gan mlynedd i 'nawr* and *Tros y môr*, and *An Angelus* for strings by Walford Davies. Two scores dedicated to the original Gregynog Choir are being revived – Walford Davies's *The Pied Piper of Hamelin* and Holst's *O spiritual pilgrim*.

William Mathias's *Suite Parisienne* for two pianos, premièred in the Music Room by the composer and his friend D. Hugh Jones while both were still Aberystwyth undergraduates, will be heard again, too. And to extend the practice of the past, new work has been commissioned from Hilary Tann, a setting of George Herbert's *Paradise*, scheduled for a first performance by the outstanding choral group Tenebrae on 15 June; and Menna Elfyn, a residency culminating in a sequence of poems written in response to Gregynog and the experience of attending this year's Festival.

Gwendoline and Margaret with their governess Jane Blaker c. 1895, reproduced from *Things of Beauty: What Two Sisters Did for Wales*, National Museum Wales Books, 2007.

Headline artists include the piano duettists Philip Moore and Simon Crawford-Phillips, tenor Andrew Kennedy and the Badke Quartet, soprano Elin Manahan Thomas with lutenist David Miller, and the strings of the BBC National Orchestra of Wales directed by Lesley Hatfield. Siân James and Robin Huw Bowen join forces to highlight the unique folk traditions of Montgomeryshire, and Pascal Rogé echoes the Davies collection of Impressionist art in a programme of 20th-century French piano music.

Leading commentators will create a context for the performances with presentations and pre-concert talks, while specially-curated exhibitions, archive films, and printing and bookbinding demonstrations at the world-famous in-house Press will all help bring the heritage of the Hall alive.

Joyce Grenfell described Gregynog as "the big thing in my year" and Festival music-making as an "unalloyed pleasure". Come and spend a few days in the same iconic and magical setting this midsummer and be a part of a very special house-party.

Dr Rhian Davies is Artistic Director of the annual Gregynog Festival and triennial Peter Warlock Festival in her native Montgomeryshire. Full programme details can be found on wwwgwylgregynogfestival.org, or from Jill Jones, Festival Office, Gregynog, Tregynon, Newtown, Powys, SY16 3PW, 01686 640533, e-mail post@gwylgregynogfestival.org

emerging drama

roger owen says a successful national theatre will need a civic identity with which to engage

In its document *Draft Art Form Strategies 2008-13*, released at the end of 2007, the Arts Council of Wales laid out its proposal for the future of Welsh theatre in the following terms:

> *"We are aiming high. We want theatre in Wales to win the ownership and loyalty of its communities. We want the theatre of Wales to play its part in reflecting and shaping the emerging Wales and to gain further recognition on the international stage."*

What is this "emerging Wales"? Is Wales 'emerging'? If so from what, to what, and in relation to what? How do they – how does anyone – know? And what does it mean to describe your own national identity in this way? For instance, it seems almost inconceivable that any public body would refer to an 'emerging England' in the same terms.

Of course, this kind of rhetoric of national emergence and rebirth, with apologies to Kenneth O. Morgan's history of Wales in the 20th Century *Rebirth of a Nation* (1980), isn't unfamiliar. The fact that it can sit so comfortably in an Arts Council document reveals much about its descent to the level of cliché. No longer a political statement about Wales's oppression by the old Saxon enemy or by its own censorious, nationalistically-prescribed morality, it has become a mere rhetorical device, gadding about in the garb of a motivational declaration of intent whilst masking its essential refusal to commit to anything. This notion of an 'emerging Wales' creates the illusion of a melodious, soporific unknowingness congealing into a glibly consensual destiny.

If Wales as an entity is 'emerging', then its identity requires constant re-inscription. No one's experience of it arises from a condition of knowledge. Instead, we encounter our identity, rather as a stage actor simultaneously encounters and embodies a character. The nation is manifest in a state of *play*, as I tried to suggest in article entitled 'The Play of History' back in 2000. I quoted Gwyn A. Williams who, in his 1980s history *When Was Wales?*, asserted that "Wales is an artefact which the Welsh produce. If they want to. It requires an act of choice." And I employed notions of theatricality to align Welshness with modernist theories of nationalism. I argued that the nation, like the individual, is essentially unknowable in its totality, and like a Sartrean existentialist, can only recognise its own actions and motivations in retrospect, whilst struggling in the meantime against the encroachment of 'bad faith'.

Speaking of which, however, I can see by now that those rather lofty views of a playful national condition also support a market-based, vacuous *branded* view of identity. The Arts Council (and they're not the only ones in this game by any means) of course want to describe society's identity as emerging, rather than just unstable and unpredictable, because it suggests inclusivity: 'we're all emerging together, folks'.

However, this casual recourse to the language of amenable change is also symptomatic of a *defective citizenship*. It allows agencies such as the Arts Council to claim a sense of external perspective on something which can't be verified. We have to take their optimism, their vision, on trust. In the meantime, we allow them to become self-appointed arbiters of 'brand Wales'.

The implicit tension between playful self-definition and branding is evident in Welsh theatre's latest prestige project: the English-language National Theatre of Wales. This institution is set to follow a notably different course from the well-established Theatr Genedlaethol Cymru, by constituting itself as a commissioning body rather than a building-based ensemble. The implications of this are still barely emergent, but it's probably fair to say that:

- It will follow the model successfully adopted by the National Theatre of Scotland.
- It will emulate practice already well in place in the television and media sector.
- If it is to work successfully, then it must do so as a brand works successfully, by associating itself deeply with the public's mind as *one thing*, even though in terms of its material reality, it may be many things.

Submissions to the Stephens Commission, established last year to examine the status and role of the Arts Council, suggest that there is no natural case for an English-language National Theatre of Wales at the moment. Neither is there a public clamour. The practitioners don't want it, and neither do the public. Yet it would be churlish to suggest that, therefore, the whole venture is bankrupt and doomed to failure. The relationship between creative revelation and working structure is a complex one in theatre. Arrangements which seem utterly perverse on the face of it can produce astonishingly persuasive results, and set-ups designed to produce nailed-on winners can produce naught but banality.

The three men behind the last attempt to establish a national theatre in Wales, in the early 1980s: actor Ray Smith, director Alan Vaughan Williams, and actor Philip Madoc. At the time, following the demise of the Welsh Theatre Company and the Welsh Drama Company in the 1970s, they were described as *"stumbling into a vortex of insecurity"*. This proved an accurate judgement since their Theatre Wales, which ran a short season of plays at the Sherman Theatre in Cardiff in 1981, itself lasted barely more than a year.

Another possible reason, often quoted, which might serve to explain the lack of enthusiasm for a grand centralisation of the Welsh theatre brand is that there is no developed theatrical tradition in Wales, in Welsh or English. The Arts Council suggests something to that effect itself. As its strategic document puts it:

> *"In the history of theatre over the last fifty years in Wales, there have been extraordinary visions and particular achievements but, all in all, ones that have often been episodic and short-lived, resulting in a hidden, almost lost, theatre culture both of repertoire and approaches and of individual talents."*

I don't believe that the basic problem lies in any "hidden, almost lost, theatre culture". Again, the problem is one of an under-developed and defective civic Welsh self-identity. This civic identity is now coalescing around the National Assembly, and is being gradually bound together. In that sense, 'Wales' could indeed be said to be 'emerging'. But it's a slow process, and we shouldn't yet trust those who claim ownership of it.

Theatre may well have an important role in creating a sense of citizenship in Wales. The shift from a politics of identity to one of citizenship is the basic change which has been brought about by devolution. But it will take time, firstly because a key feature of Welsh identity over the past decades has been "internal difference", as M. Wynn Thomas put it in his study of the 'two literatures' of Wales. The phrase describes the circumstances in which the social and cultural identity of some groups in Wales have been defined by the rejection of almost all things Welsh. On the other hand, for others Welsh has been a virtually unquestionable, default identity produced by their adherence to the language. The one would have none of it; the other could not get away from it in order to opt into it. Creating a sense of citizenship out of this is not going to be easy.

Secondly, it will take time because what is ultimately required of this theatre is the creation of a binding ritual which expresses, reflects, motivates, even fabricates an experience of citizenship through play. No doubt, along the way there's going to be a good deal of brand-Wales 'corporate synergy mania', as Naomi Klein describes it in her book *No Logo* (2000). The difference between the two lies in the quality of play, because this is a true project, as Manuel Castells puts it in *The Power of Identity* (1997), rather than another vehicle for *legitimisation*. It is important to ensure that those bodies which get commissioned by the new National Theatre – and those which oversee it – understand that. They will all have to go beyond a discourse which merely legitimises their own brand.

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grand slams all round

peter stead

The Grand Slam match against France was my 163rd cap although I could find no mention of this in the 104-page £5 programme that I have just finished reading.

Of course, at the final whistle I was delighted that my status as a member of the master race had been confirmed. As usual I retreated to the Hayes Island Snack Bar for my post-match bacon bap, as recommended recently in the *Guardian* (who told them?). As I sat wondering whether Cardiff was about to be washed away in the monsoon, I could not help but reflect on how wearing it is to have one's whole identity perpetually linked to a team of fifteen men who one minute play like the Keystone cops and the next like supermen.

Those fifteen men (it is actually twenty-two now) are still very much my boys but not quite to the same degree as in 1958 when I won my first cap. In those days our heroes lived and worked amongst us. At school I was taught by a British Lion wing, the grass on local roundabouts was cut by a Welsh hooker, and at the sweet shop I was served by a British Lion prop. On match days I have for fifty years been a regular on the 9.30am train out of Swansea. There was a time when several of the team would be on the same train nervously clutching their kit bags.

I have always enjoyed the story of how the Swansea wing Horace Phillips won his only cap against France in 1952. On the Friday he was rung at the school where he taught to be told that he was in the Welsh team to play at Swansea the following day. As arranged, on the Saturday morning he was picked up in Neath by the Welsh team bus and taken to a lunch at Caswell Bay. After the Welsh victory he went to a short reception and then went home. His international career was over.

I have often wondered whether Horace would have been a better player if he had spent a month in a Vale of Glamorgan Hotel on a special diet and with a squad of specialists analysing his every movement.

Of course, everything about rugby has changed since it accepted the challenge of becoming a professional and globally televised sport. It is a far less appealing and aesthetically pleasing game. There is far less space on the field of play in which players can express themselves, and the sheer physical demands of the constant attrition are enormous. There were some dazzling moments in the 2008 Grand Slam but what truly impressed in the matches against Ireland and France was the sheer professionalism of the Welsh team. They had all the strength and intelligence to do precisely what was required on the day. These are not qualities that one traditionally associates with either Welsh teams or indeed the Welsh nation as a whole.

For example, there is nothing professional about our presentation of international matches at the Millennium Stadium. In the old days there was a total rapport between the conductor of the St. Alban's Band and the natural choristers that constituted the North Enclosure crowd. Today everything is over the top. Piped music, banal announcements and mild hysteria give an impression of early rehearsals for Nuremburg. I am sure that those legions of red-shirted women, the Welsh equivalent of Stepford wives, are bussed in by the WRU. Certainly the whole entertainment and packaging seems to be devised for them. Please grow up.

Professional standards have also slipped in our media coverage of what we take to be our national sport. The *Western Mail* fills page after page with huge meaningless photographs (in sport all that is needed is the one telling shot) and with vacuous mobile phone interviews with every player. There is little analysis and no poetry. Meanwhile the BBC continues to sponsor the former players association and seems to believe that a point is best made if accompanied by the cheers of beery enthusiasts.

In my sodden Hayes Island musings I found myself wondering why we were paying vast sums of money to Warren Gatland and Shaun Edwards to drum some sheer professionalism into our rugby boys whilst sticking to our bad old ways in other walks of life. Personally, I would politely ask Shaun Edwards to accompany me to the Central station and ask him to do something with Welsh railways. He should immediately be put in charge of schedules and be asked to tell drivers to come to work on time. The former Wigan player is a natural to sort out the road traffic problems that are choking Cardiff and Swansea. Of course, we need him in politics as well and I would immediately put him in total control of the civil service in Wales. In one of his greatest cartoons the late Gren had a young boy in the 1990s asking his father, "What's a Grand Slam?" It's time that question was asked in every sector of Welsh public life.

Meanwhile, I will treasure the memory of the victory over France. During the game I had my usual argument with the neighbour on my left (he thought Shane should be dropped) and when the first try came (Shane, of course) I found myself hugging the stranger on my right who had only just explained that he was a QC. Blushing, he explained that he had "never hugged a professor before". When Grand Slams are at stake, I pointed out one should hug everybody. Grand Slams all round, I say.