

# agenda

Editor  
John Osmond

Assistant Editor  
Nick Morris

Associate Editors  
Geraint Talfan Davies  
Rhys David

Administration  
Helen Sims-Coomber and Clare Johnson

Design  
WOOD&WOOD Design Consultants. wood2.com

To advertise  
Telephone 029 2066 6606



**Institute of Welsh Affairs**  
1 Radnor Court  
256 Cowbridge Road East  
Cardiff CF5 3GZ

Telephone 029 2066 6606  
E-mail [wales@iwa.org.uk](mailto:wales@iwa.org.uk)  
[www.iwa.org.uk](http://www.iwa.org.uk)

The IWA is a non-aligned independent think-tank and research institute, based in Cardiff with branches in north and west Wales, Gwent, Swansea Bay and London. Members (annual subscription £40) receive agenda three times a year, can purchase reports at a 25 per cent reduction, and receive invitations to IWA events.

## branches

**North Wales Secretariat**  
c/o Huw Lewis  
6 Maes yr Haul Mold Flintshire CH7 1NS  
Telephone 01352 758311

**Gwent Secretariat**  
c/o Chris O'Malley  
University of Wales Newport Caerleon Campus  
P O Box 179 Newport NP18 3YG  
Telephone 01633 432005

**West Wales Secretariat**  
c/o Margaret Davies  
Principal's Office Trinity College  
Carmarthen SA31 3EP  
Telephone 01267 237971

**Swansea Bay Secretariat**  
c/o Beti Williams  
Department of Computer Science  
University of Wales Swansea Swansea SA2 8PP  
Telephone 01792 295625

**Wales in London**  
c/o Robert John  
First Base 22 Ganton Street London W1F 7BY  
Telephone 020 7851 5521

# agenda

w i n t e r 2 0 0 8 / 0 9

## plus ça change...

arbitrary though the counting of anniversaries may be, they are often helpful in forcing some useful reflection. 1987, the year that the IWA was formed to create a forum for wider debate about Welsh conditions and public policy, was a year when many bells were rung that still sound today: the first Palestinian intifada in Gaza and the West Bank, Ronald Reagan's challenge to Mikhail Gorbachev to bring down the Berlin wall, the signing of the Single European Act, and the publication of the Brundtland Commission's seminal report on sustainable development for the UN.

Closer to home, 1987 was the year of Black Monday when, on 19 October, the UK stock market lost 11 per cent in a single day. It was the year Ron Davies, shocked by Labour's third successive defeat, was converted to devolution, and when Rhodri Morgan was elected to Parliament. To cap our blessings, it was also the year in which John Humphrys became the regular presenter of the Today programme.

Now, 21 years later, the unsolved Palestinian crisis is thought to have been the root cause of a wider terror, stock markets are in even greater disarray on the back of a banking crisis unprecedented since 1929, and sustainable development and climate change are matters of world wide concern, including for a National Assembly and its government that has, to some people's surprise, now been in existence for the best part of a decade.

Wales's problems can seem small beer when set against the global scale of some of these other issues, but they are directly related, as our sad connection to failed Icelandic banks has clearly illustrated. The silver lining on current clouds is that this may be a moment in our history when a whole series of fundamental re-assessments converge to alter our world and our lives for the better.

The scale and sources of the banking crisis, as well as the automating technology of financial markets, raise questions about the contemporary ethics of capitalism that demand reform and a rebalancing of public and private interest. That will impact – hopefully, beneficially – on our politics, on our public services and, very directly, on the development of our towns and cities. Perhaps we will also become less tolerant of an inequality at home, that destroys our own society's cohesion, and of an international inequality that threatens the security of people and planet.

This is a debate that needs to happen at every level of society and every level of governance. Over the last 21 years, the IWA has tried to encourage debate in Wales about our economy, environment, education, culture, politics and government. It has, in turn, been encouraged by an enthusiastic response from a rapidly growing membership of individuals and organisations representing all manner of interests and opinions. The IWA will continue with that task, more than ever conscious of the formidable agenda that now stares the whole world in the face.



Cover Picture: Wales's record try scorer Shane Williams beats French full-back Anthony Floch in the Six Nations championship decider in March 2008. Wales won 29-12 to secure their second Grand Slam in four seasons.

opinion

4 mercurial, magical, elusive  
Welsh rugby is a brand that can capture the imagination of a global audience says **roger lewis**

COVER STORY



19 creative regeneration  
**anne carlile** says culture is a bridge to Newport's economic future

politics

21 idealists and pragmatists  
**peter stead** casts an eye over some prognostications for politics in 21st Century Wales

23 opinion finder  
**aled edwards** assesses the role of the all-Wales convention

25 just say yes  
**mike german** argues that supporters of more powers for the Assembly should start campaigning now

27 community government  
**paul griffiths** discusses the progressive ideas underpinning the Labour-Plaid coalition

8 news

outlook  
10 coping with the crunch  
key figures in the Welsh financial world respond to the global financial meltdown  
14 liberal democrat leadership contest  
Jenny Randerson vs. Kirsty Williams

economy

16 surviving the crunch  
**rhys david** and **nick morris** survey how Wales is coping with the economic downturn



29 devolving buses  
**huw lewis** outlines his proposals for applying a franchise system to bus routes in Wales

education

35 glyndŵr university  
**michael scott** explains why Wales's newest university has named itself after a 15th century rebel leader

environment

31 newport bypass  
**julian branscombe** puts the case against the projected M4 relief road

38 critical mass  
**huw beyon** outlines a new collaboration that strengthens Welsh social science research

33 light rail  
**neil anderson** advocates a radical alternative to new road projects

# agenda

w i n t e r 2 0 0 8 / 0 9



**46 genetic doublethink**  
**dafydd huws** argues that a sustainable Welsh agriculture cannot afford to be without GM technology

## social policy

**49 wicked issues**  
**steve martin** reflects on progress since publication of the Beecham review in July 2006

**53 vicious circle**  
**adrian roper** calls for courageous action to tackle bed blocking in our hospitals

**56 light in housing gloom**  
**sue essex** reflects on the lessons from her review of affordable housing provision in Wales

## science

**40 science business**  
**john osmond** examines the way science is being put at the centre of the Assembly Government's economic policy

**43 creatures great and small**  
**penri james** makes the case for a Welsh veterinary school at Aberystwyth

## europe

**58 euro speak**  
**des difford** on how Welsh has followed Catalan into European discourse

## communications

**61 news blackout**  
**ned thomas** reflects on the future of the Welsh press and media

## culture

**64 real wales**  
**peter finch** on discovering his country



**66 northern icon**  
**derek jones** introduces the Ruthin craft centre

**66 life's diary**  
**john morgans** describes how he reduced five million words to 160,000

**70 disarming archbishop**  
**david williams** on the incense, wine and fudge at the heart of the Anglican debates over sexuality

## last word

**72 taking Wales with you**  
**peter stead**



## newsflash

### coming up...

- **West Wales Branch Dinner**  
Thursday 5 February, 7.00 pm  
Halliwell Centre  
Trinity College Carmarthen  
Guest speaker: Kirsty Williams, AM for Brecon and Radnor
- **Funding, Risk and Innovation Conference**  
Wales's Engagement with Science Policy  
Cardiff, mid-February 2009  
Details – see IWA website
- **Policing West Wales**  
West Wales branch Seminar  
24th February 2009, 5.30 pm  
Dyfedd Powys Police HQ  
Llangunor, Carmarthen  
Keynote Speaker: Chief Constable Ian Arundal
- **Putting Women in their Place**  
Level Up Glass Ceiling Conference  
6 March 2009  
Angel Hotel, Cardiff  
Keynote speaker: Katy Chamberlain, Chief Executive, Chwarae Teg
- **North Wales branch Celebrating Women's Day**  
6th March 2009  
Details: see IWA website
- **Living with Our Landscape Conference**  
Cardiff, end March 2009  
Details: see IWA website

### just published...

- **Creating a Bilingual Wales: The role of Welsh in Education**  
Edited by John Osmond. £15
- **Politics in 21st Century Wales**  
£10
- **Unpacking the Progressive Consensus**  
£10

## more information

[www.iwa.org.uk](http://www.iwa.org.uk)

# mercurial, magical, elusive

*“Nicole Cooke’s journey from the Vale of Glamorgan to the Great Wall of China started 14 years ago with an 11 year old’s dream. It ended with 3 hr, 32 min and 24 sec of thigh bursting effort that brought her a spectacular, minutely planned, hard-earned gold medal. One more second and it would have been bronze, but on the day that she set out from Beijing to Badaling in the women’s Olympic road race, everything came right. Her team-mates, Emma Pooley and Sharon Laws, sacrificed their medal chances to act as pacemakers for Cooke. The conditions were too cold for the Dutch favourite but reassuringly familiar to any Swansea cyclist: steep hills and driving rain. And the venue? Another country working hard to wean itself off coal and on to renewables. Wales and China have something else in common at the moment: winning. Did it start with Joe Calzaghe’s coronation as undisputed world boxing champion in two weights at the same time, or the Grand Slam-winning national rugby team? Rhidian’s moral victory in the x Factor. Duffy’s effortless eclipse of Amy Winehouse as Princess of Soul, or even Tom Jones’s conquest of Las Vegas? It started earlier, of course. Much earlier. Wales’s tenacity has often been disguised by song and softened by the green, green grass of home. But its monuments are legion, from Snowdonia’s dry-stone walls to the deep pits now filled with the sound of silence beneath the Valleys. Nicole Cooke’s smile is the latest. Team GB gave her a bottle of champagne last night, but she won’t be drinking it until she has ridden the time trial on Wednesday, for Wales.”*

Welsh rugby is a brand that can capture the imagination of a global audience, says roger lewis



These are the words of the leader column of *The Times* following Nicole Cooke’s unforgettable Olympic triumph this year. I get a tingling sensation every time I read them. I have kept the cutting in my wallet. Our First Minister recently said, “Small nations need sporting or cultural success to help them gain self-confidence. Never having had much in the way of political institutions before 1999, Wales has needed sporting success to express its identity.”

I believe that Welsh rugby has a role to play in Wales plc globally, and also a responsibility. That is why, as chief executive of the Welsh Rugby Union I have stated that our vision is to take Wales to the world, welcome the world to Wales and help define Wales as a nation. That certainly gets me out of bed in the morning. Our mission is threefold:

- Firstly to place Welsh rugby at the forefront of the global game in reputation and standing by maintaining a top five position, so as to have regular shot at the top and we are, remember, the 2008 Northern Hemisphere rugby champions.
- Secondly to maximise engagement and participation in grass roots rugby and so help build communities.
- Thirdly, to ensure our Millennium Stadium, owned and operated by the WRU is a must play, must visit, multi event venue for epic activity, so as to drive our revenues upwards.

Rugby is part of the glue which holds many of our communities together. The game has captured the hearts and minds of our nation for over 127 years. It is quite simply, part of our DNA, our psyche.

It is one of our great escapes from the stresses of modern life. For many people in and outside of Wales it helps them define themselves in the world. It helps us to define Wales in the world.

Rugby is the national sport of Wales played on the ultimate field of dreams, our Millennium Stadium. The



Welsh Rugby Union, founded in 1881, with well over 300 clubs affiliated to it, is one of the great Welsh institutions. However, we do not consider the WRU as a great Welsh institution in a political or economic sense. We have come nowhere near leveraging and harnessing the power of Welsh rugby fully to benefit Wales in Wales, and Wales in the world to help create wealth and jobs – to be a driver of economic regeneration.

That said, we are now addressing this with the Welsh Assembly Government with a regular standing meeting and we are planning to align our strategies for the benefit of all in Wales.

For some, Welsh rugby has always lived in the past, and the names, always first names, of Gareth, Barry, Gerald, Mervyn, and Phil still encourage nostalgic tears to run down the cheeks of grown men. Many are still are, stuck in the Seventies and cannot move on, see a future, or even want to look forward. Some are stuck further back and talk of the Fifties, and the golden age of Welsh rugby at the start of the 20th Century. Moreover, the image of rugby was and is one of cloth caps and beer and men doing an honest day's work in hard physical environments defined either by the mine, the farm or the steel works.

But all that is the stuff of the past. Added to this is the paradox of sport. In life we all seek certainty. In sport, uncertainty is a prerequisite. For every winner there has to be a loser and everyone must believe they can, on their day, defy the odds and win. And in Wales it gets even more complex. We are either in agony or ecstasy. We agonise over our ecstasy and

we can be ecstatic in our agony. Such emotion, such complexity, such reputation risk for some political brand managers is too hot and too hard to handle. They prefer to disregard these words as clichéd, stereotypical images of a bygone age which need to be shed in our brave new world and consigned to the marketeers dustbin.

I could not disagree more. This stuff of Welsh rugby is so powerful, so relevant, so engaging it can and should play a significant role in projecting Wales to the world. It should be part of the armory of a smart, strategic thinking Wales plc. The WRU is a major player in a global sport which now delivers after the Olympics and the Fifa World Cup the third biggest sporting event in the world.

In October Deloitte published their analysis of the economic benefit of the 2007 rugby world cup on France. It showed that there was a net additional gain of more than £360million into the French economy for the seven week duration of the tournament: 2.2m tickets were sold, stadium capacity hit 94 per cent and there were 350,000 international visitors to France of whom 275,000 attended matches. The cumulative TV audience over the 44 days was 4 billion. The sponsors of rugby globally are dominated by blue chip brands targeting an influential and wealthy demography.

In England the RFU have profiled their rugby fans and players. While 24 per cent of the English population is from the AB social group, English fans and players constitute 54 per cent. That may not be the profile of Welsh rugby, or

The Welsh team, led by Captain Ryan Jones, celebrate their 2008 Grand Slam in the National Stadium.

## opinion

Wales for that matter, but that is the commercial arena in which international Welsh rugby plays.

In Wales we spend too much time looking into the mirror and not looking through the window. Our view of the game is framed by our own experiences and perceptions. Even for the most focused Welsh business man and woman, or politician for that matter, a day at the game in Cardiff is a day out. It is not an opportunity to drive business strategically forward beyond one's circle of corporate hospitality.

Over the past two years I have sat next to some of the most powerful chief executive officers and chairmen from the worlds of telecoms, finance, aerospace, and consumer goods watching the game, from Sydney to Dubai and from Hong Kong to Paris and Cape Town. The game attracts white collar opinion-formers and decision-makers. The opportunity to develop intimate and meaningful relationships based around a shared passion is very special. It presents Wales with a unique opportunity.

The WRU is a founding member of rugby's global governing body, the IRB. We play a key role in its governance with significant representation on its board. The WRU chair, David Pickering is the chair of the Six Nations committee. The Six Nations is one of the top commercial sporting properties in Europe. In 2009 the British Lions tour will be dominated by the WRU – Gerald Davies as team manager, Warren Gatland, Rob Howley, Shaun Edwards as

coaches, and Craig White and Rhys Long in the back room staff along with, most probably, a significant list of Welsh players.

Quite simply, Wales and Welsh rugby are leading players in a leading world sport, which is, most importantly, in growth. Great rugby, like all great sport now carries a premium price for broadcasters and sponsors alike. International rugby delivers time sensitive, 'must watch' content which captures the hearts, minds and the imagination of a powerful group of people. Such content is the antidote to time-shifted, watch when you like stuff, which fills the digital TV channels day in, day out. In Wales we have and are creating fantastic premium content – great rugby which captures the imagination of a global Audience.

Brands build nations; nations do not build brands. Great watches come from Switzerland; great wine comes from France; great cars come from Germany; great electronics come from Japan; and great suits come from Italy. What great things come from Wales? Sheep, coal, male voice choirs and rugby the cynics shout. But let's consider the values of those brands which are so intrinsically linked with their nations:

- Watches? Are they dull and predictable, or are they elegant and glamorous – Swiss? Rolex?
- Wines? Are they complex and intimidating, or are they sophisticated and romantic – French? Chateau Lafitte?
- Cars? Are they reliable and functional, or are they prestigious and hi-tech chic – German? Mercedes?



Cyfathrebu marchnata creadigol | Creative marketing communications



4 The Science Park, Aberystwyth SY23 3AH  
Tel: 01970 636400

[www.fbagroup.co.uk](http://www.fbagroup.co.uk)

What are the ingredients, emotions, and perceptions, above all the values and beliefs which define Wales and which can capture the hearts and minds of a global audience? Welsh rugby and the WRU can be a key component in a strategy to project Wales plc to the world. That is the opportunity.

Let me distill one element, a brand icon, Shane Williams. He is today's personification of Wales and Welsh rugby. He is the essence of brand Wales from a nation of three million people: height 5' 7"; weight 12 stone 13 lb; a Welsh speaker from the Amman valley; nominated as the IRB player of the year; nominated as the greatest rugby player in 2008 anywhere in the world; mercurial, magical, elusive. And he is part of a lineage of such Welsh wizards.

This is a brand language which can capture the imagination of a global audience which has no interest in rugby. These words define Wales as a nation, as a country, its landscape, celebrating its past and shaping its future. And if you want modern and relevant, think of Gavin Henson and James Hook. They have the same brand qualities which England leveraged with David Beckham in projecting the London Olympic bid to the world. But let's pursue the brand values of Welsh rugby:

- Success – winning.
- Team – family.
- Integrity – there is nowhere to hide on a rugby pitch.
- Passion, pride, and drama.
- Welsh humour at its best.
- Over 300 tribes are in the WRU.

This is the Mabinogi in the 21st Century, a marketers dream landscape, because don't forget rugby is also big business. Remember the Deloitte numbers and ask whether the WRU can project these images and values to the world? The answer is that we have secured a £14million deal with the American firm Underarmour, we have developed a £multi-million deal with Invesco, and we are now negotiating a multi-million pound deal with the broadcasters.

It is also why we secured Warren Gatland and then Shaun Edwards and the other talented teams now working in the WRU. They saw the vision, and shared the dream. Moreover, they shaped the dream, developed the vision, and helped us build the values.

In 2008 the Welsh rugby team toured South Africa. In 2009, we tour Canada and the USA. In 2010, its New Zealand. In 2009 the Wales under 20s team tours Japan. The Welsh Sevens team will play all over the world in 2009 and, for that matter, in 2010, 2011 and 2012.

In 2008 the WRU welcomed 16 nations to Wales in the inaugural IRB under 20 world tournament, broadcast to more than 70 countries. This was spotted by the Welsh Assembly Government which invested £250,000 in the £3 million event. In support of the biggest televised rugby



tournament world-wide after the rugby world cup, it was money well spent. Positive images of Wales were beamed into the homes of 70 countries.

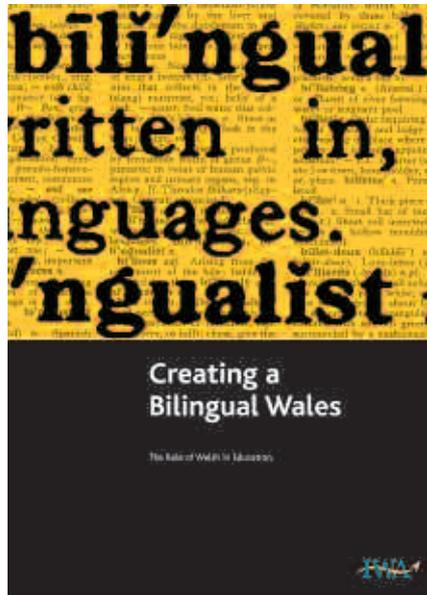
Welsh rugby is already the most structured, and the most organised international brand builder of Wales. However, this position is not fully recognised or leveraged as such by Wales. That is the opportunity. The WRU is prepared to align its strategies with Wales. But, if it doesn't happen, we will continue to take Wales to the world, and we will welcome the world to Wales.

However, I do lie awake at night at times and think Wales does not seize all of its opportunities. Welsh rugby is one of those. We are a nation, of poets, actors, musicians... and rugby players. But not only do we need to express our creativity, we need to be creative in turning our talent into real value-added activity. We need to grow entrepreneurs as well as outside halves and tenors. And they need to work alongside each other. The dragon's den must create light as well as heat and smoke. The WRU wants to play its part in projecting the best possible images of Wales to the world to ensure our nation thrives and prospers.

The Welsh coaching squad: Rob Howley, Warren Gatland and Shaun Edwards - *'They saw the vision, and shared the dream'*.

- **Roger Lewis** is Chief Executive of the Welsh Rugby Union. This article is based on his presentation to the IWA conference Wales in the World, held in Cardiff in October 2008.

## creating a bilingual Wales



**The Assembly Government should enforce its requirement that Welsh local authorities should undertake parental surveys to assess demand for Welsh medium education. This is a major recommendation in a new IWA report, *Creating a Bilingual Wales: The Role of Welsh in Education*. It says that despite an Assembly Government requirement, now more than five years old, so far only three authorities have carried out systematic surveys.**

The report, produced bilingually, surveys the 14 Welsh counties with fewer than 20 per cent Welsh speakers, those identified by the Assembly Government as requiring surveys, and finds that where they have been undertaken advances have been made:

- Newport carried out a survey in 2002 and as a result the city's second Welsh-medium primary school, Ysgol Ifor Hael, opened in September 2008.
- A survey in Wrexham, published in October 2007, revealed that 43 per cent of parents would choose Welsh medium education if there was a school reasonably close to their homes. As a result a plan for the expansion of Welsh-medium education is now under discussion.
- Swansea has also carried out a parental survey revealing that 28 per cent of parents who responded wanted a Welsh-medium education for their children regardless of its proximity to their homes. If it was available within reasonable reach the demand rose to 38 per cent.

Former South Wales AM Owen John Thomas, who carried out the survey of the 14

local authorities for the IWA report, commented, "The greatest potential for gaining new Welsh speakers lies in the latent demand within these counties and this is substantiated by the growth of Welsh medium education across Wales. However, although several years have elapsed since they were first required to assess the demand for Welsh-medium school places, most of the local authorities have made little progress."

Under the terms of the *One Wales* coalition agreement the Assembly Government is due to produce a strategy for developing Welsh-medium education early in 2009.

*Creating a Bilingual Wales: The Role of Welsh in Education* is available from the IWA at £15 (£12.50 to IWA members) plus £1.50 P&P.

## WalesWatch

**A collective, edited blog, known as WalesWatch, has been launched on the IWA's website. The aim is to post a regular commentary on Welsh policy and public affairs by a wide range of contributors.**

In the short period since the blog was launched in September, contributors have included Marcus Longley, Professor of Applied Health Policy at the

University of Glamorgan on the reorganisation of the health trusts; Charlotte Williams, Professor of Social Justice at the University of Keele on her reaction to Barack Obama's victory in the US presidential election; Denis Balsom, Editor of the *Wales Yearbook*, looking ahead to the 2011 Assembly election; James Foreman-Peck, a Professor in Cardiff's Business School, on the credit crunch; and Peter

Finch, chief executive of the Welsh Academi on Cardiff Council's threat to auction off some rare books from the capital's library.

WalesWatch aims to:

- Contribute to the Welsh current affairs debate. Already a number of blogs on the site have been reported in the Welsh media.
- Achieve a stronger profile for the IWA and, in particular, the IWA's website. Our website statistics show

that the blog is one of the most visited pages.

- Ensure that the IWA is part of the on-line journalism and commentary that has been developing exponentially on the internet over the past few years.



## partnership sharpens focus on Wales

**The Institute of Welsh Affairs and Cardiff University have signed a Memorandum of Understanding to take forward greater collaboration in research and publication.**

It was signed by IWA Chair, Geraint Talfan Davies, and Professor Ken Woodhouse, Cardiff University's Pro Vice Chancellor for Engagement in the Senedd, Cardiff Bay, at an event to mark publication of *Politics in 21st Century Wales*, the second in the Cardiff Bay Papers series being published jointly by the two institutions, reviewed on pages 21–22.

The first in the series, *Unpacking the Progressive Consensus*, an analysis of the philosophy underpinning the *One Wales* Labour–Plaid coalition government, was published earlier in November. The aim will be to publish two more papers in this series during the academic year.

This collaboration is being undertaken by the IWA in association with the Wales Governance Centre, a research unit sponsored by Cardiff Law School and the School of European Studies in the university.

In November the IWA collaborated with the

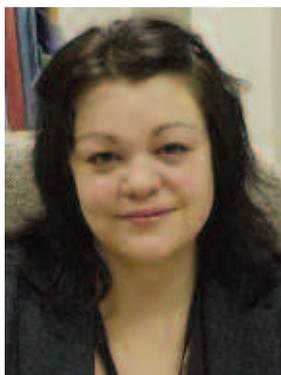
Centre for Advances Studies and the Regeneration Institute in a conference on Regional Economies in a Globalising World. This event, organised in association with the British Council Cymru, brought together eight world-renowned

economists and geographers from north America, Europe and Asia to debate their experiences in mobilising intellectual resources to promote innovative approaches to economic and social development.



Professor Woodhouse and IWA Chair Geraint Talfan Davies sign on the line. Cardiff University's Development Director Louise Cassella and IWA Director John Osmond look on.

## IWA appoints deputy director



**The IWA has appointed Kirsty Davies as Deputy Director. The new post has been created in order to professionalise the marketing of the IWA and to grow its individual membership and corporate support. The IWA was established in 1987, so is celebrating its 21st year.**

Kirsty ran a successful direct marketing business in Cardiff for several years before embarking on a degree in philosophy as a mature student at the University of Glamorgan. Active in her local community, she is a member of Cardiff's Community Health Council and in May 2008 was elected a Liberal Democrat county councillor for the Llandaf ward.

IWA Chairman, Geraint Talfan Davies, said: "This is a very significant appointment for the IWA, and a positive way to mark our 21st anniversary year. It demonstrates that we intend to continue growing the contribution of the IWA to civil society in Wales, through

our programme of research and publications, through the work of our branches across Wales, and through fully exploiting our online resources. This development has been made possible through the generous support of the Waterloo Foundation".

Kirsty Davies said, "*As the Welsh Assembly gets more powers, and more opportunities to change and improve Wales, I look forward to helping the IWA bring its progressive ideas and proposals to a wider audience*". She said her priorities were to:

- Diversify the membership base, especially through a 'level up' campaign to achieve gender parity in our membership. By recruiting more IWA

members – and by making membership more representative of wider society – the IWA's influence will increase.

- Make the IWA more accessible with a new website that will be one stop shop on Wales, an unparalleled information resource. The IWA needs to find new ways of communicating to continue to provoke debate while being receptive to what its members want.
- Develop the branch network and continue to promote Wales at home and abroad. The IWA aims to be the 'first point of contact' on matters concerning Welsh affairs.

# coping with the crunch

key figures in the Welsh financial world respond to the global financial meltdown

two years to achieve normality



Bill Tudor John, Deputy Chairman of the Nationwide Building Society and former Director (Europe) of Lehman Brothers

**The present crisis in the financial markets has no one cause. Some blame the sub-prime lending in America but the amounts there are relatively small compared with the market overall. Others blame reckless lending by banks and while there is some truth in that, the majority of loans made by financial institutions are perfectly sound. Some criticise the regulators and it is correct that the US Federal Reserve under Greenspan in the U.S.A. kept interest rates too low for far too long encouraging a borrowing spree, while our Financial Services Authority failed to monitor liquidity levels in banks.**

The truth is that all these factors, and others, brought about a complete lack of confidence in the money markets which is the real cause of the present troubles. When banks are scared to lend to each other, an unprecedented situation, the markets grind to a halt. Our world requires money constantly to circulate to keep things going.

The regulators will not regulate as lightly as they have in the past. There

will also be a consolidation of the banks. We have already seen Lloyds taking over HBOS and other banks around the world have been wholly or partly nationalised. However, the downside is this creates a concentration of risk.

Although this is the worst situation we've faced since the 1930s, things will get back to normal, though it will take up to two years. We won't see the boom of the last ten years for a long time.

I think we've seen the worst of the crisis. The Government, finally, did the right thing in bailing out the banks, but they should have done it much earlier. For instance, they should have helped Northern Rock when the problems first began to surface in the summer of 2007.

However, a cultural change in the banking system is already underway. Independent investment banks of the size of Lehman Brothers and Goldman Sachs will simply no longer exist. The larger banks will absorb the old investment banks because they won't be able to raise funds on their own account and smaller houses like Rothschilds, with their trusted advisers, will survive and prosper.

A problem with banking regulation in the UK is that it has been a tripartite system, split three ways between the Treasury, the Bank of England, and the Financial Services Authority. Where does the buck stop? Inevitably it will be with the Treasury, but I'm not sure that the Government is experienced enough. They'll need to depend heavily on the Financial Services Authority

and the Bank of England. However, the Bank has been emasculated, and while the FSA is well-intentioned it has seen its best people lured away by higher salaries elsewhere in the City.

State-owned banks are not the long-term answer. They have always been badly run. Their managements are inevitably leaned on to make decisions for political rather than commercial reasons. We've already seen the new Business Secretary, Lord Mandelson, banging the table, saying that the banks should be lending more money to businesses. Ultimately the banks will be re-privatised. But that won't happen until the markets have returned to normality and, as I say, that will take around two years.

It will be a slow-burn to recovery. As far as Wales is concerned we should not think in terms of relying on manufacturing to get us out of our difficulties, taking advantage of favourable exchange rates with our foreign markets. The real economy in Wales, as with the rest of the UK, is not manufacturing but services. So far as manufacturing is concerned we are never going to be able to compete with China or India. Wales has got to continue to attract investment from big business. There aren't that many home-grown companies like Admiral, but we can persuade companies to move their back offices to Wales. Now is the time for the Welsh Assembly Government to be pointing out that Wales is a relatively cheap place to operate and has many lifestyle advantages as well.

## no return to business as usual



**Ross Mackay,**  
Emeritus  
Professor of  
Economics,  
Bangor  
University

**This is a fascinating but alarming time. We are witnessing the financial system's astonishing volatility and how it is underpinned by animal spirits. At present, the economy and the community have lost trust and confidence in finance. The key question is how we restore trust, without losing the energy and drive of capitalism?**

One way in which financial institutions build income and add to share value is to accept excessive risk. That is what happened in Northern Rock and other finance companies in serious trouble. Loans were made to people who could not repay.

Toxic debt followed from doubtful practices, including teaser rates: mortgages offered at artificially low interest, but climbing at a later date. Lending became reckless with securitisation – loans bundled together and sold to other institutions. This had the effect of making the initial lender indifferent as to loan repayment. The incentive for financial institutions to take excessive risk was enhanced by a bonus culture that emphasised short-term returns and immediate growth – without recognising long-term risks.

Financial instability is a direct consequence of a period of growth and stability. Over confidence encourages excessive optimism, financial experiment, financial innovation and excessive risk taking. Speculation – gambling on the turn of the market – does little harm when it merely operates on the surface

of the economy: it is disastrous when it becomes the heartbeat.

We will come out of recession, we will recover from the disastrous mistakes that have been made, but the cost to the real economy, to jobs and to the community will be substantial. We cannot return to business as usual. There has to be recognition of a wider social and civic responsibility by those who control finance, money and power.

Given severe decline, it takes time and capital to provide a new direction for industry. The next step forward is likely to be difficult, but the financial system is important in finding new direction. Unfortunately, UK finance recognises no responsibility for a new sense of direction, for the economy and for the regions. UK financial services generally refuse to recognise any wider role in its nations and regions. It regards itself as international, but does not accept any responsibility for regional balance.

Demand and growth has concentrated on the most heavily populated parts of the most crowded country within Europe – the south east of England. They have added to congestion, to commuting, to housing problems and to inflation. They have created severe problems for those who work in the capital and its zone of influence.

New Labour has been negligent when it comes to the growing regional divide within the UK. It has protested that inequality within regions is at least as great as inequality between regions. This is a naïve claim. First, because the two forms of inequality cannot be compared and second, because inter and intra regional inequality grow together. They are both products of an increasingly unequal economy and society. Regional imbalance has particular pertinence to Wales, one of the poorest regions within the UK.

In Wales, as elsewhere, we need to restore the links with localities and people. Economic development is not just about money or goods and services. The other side of the development coin is the need to play closer attention to human development.

## future belongs to the public sector



**Tim Williams,**  
Adviser to  
Regeneration  
Minister  
Leighton  
Andrews

**In comparison with other countries local government in the UK simply hasn't been trusted and its fiscal and operational autonomy has been steadily and hugely eroded.** This must be reversed if we are to achieve more: top down solutions have failed. This is the key message of OECD report after report studying why less positive regeneration and economic outcomes occur in the UK over, say, EU states or the USA. The answer is that other countries have strong fiscally independent local government in charge of its territory. I suggest that if Wales really wants to use devolution radically it needs to depart from the traditions of centralisation of the British state and go back to the future. I was once a citizen of Glamorgan County Council, and boy did that feel like a member state of the UN rather than a supplicant going cap in hand to central government.

However, the ask of local government in regeneration and development is as serious as the offer. You have to step up to the plate in terms of vision, capacity, partnership working, planning approach, unifying your bureaucracies behind a single strategy, being user friendly to business. All these are necessary at this time of real crisis in regeneration and housing delivery, when the public sector really has to get its act together because the private sector is in some disarray and because the old business models are bust.

I am clear that the old models, the house-builder model which led to the surfeit of flats but the under supply of

housing overall, was never going to deliver on housing need. The numbers of houses delivered by the private sector was dropping rapidly before the crisis – the crunch has just exposed the severe bankruptcy of a model which became dependent on severe leverage and absurd borrowings. It was also dependent on creating a typology – the high density city centre flats which turn out not to be really in demand by real people as opposed to off plan investors. I like what Warren Buffett says about what happens when tides go out – you find out who has been swimming naked. The list of naturists includes City bankers with the ethics of ally cats, and house-builders, but also, let's be frank, much of British regeneration policy which bought heavily into the high density brownfield residential bubble now burst.

How burst? The numbers are stark. In England in 2006 they built under 200,000 homes which was already inadequate. This dropped to 170,000 in 2007. It will be 80,000 this year and next. There are 220,000 households forming and 1.5 million people on social housing waiting lists – 4 million by 2011 unless we do something different.

The residential engine of regeneration lies silent. Where do we go next? As a long-term supporter of the campaign for real regeneration – which must be about the economy and jobs rather than the flatted bubble and badly designed homes and places – I see one thing clearly. The next phase belongs to the public sector, both at the UK/ Assembly Government and local government levels.

There will be no development unless a new mixed economy is created, and unless new terms of trade are negotiated between the public, private and not-for-profit sectors. New models which take the risk in land off the private sector need to be developed and fast. A model which relies on the private sector or even RSLs taking all the development risk will deliver very little in my view over the next five years and perhaps longer. Development needs to be de-risked for the private sector to take part at all, and then more as contractors

than developers or as partners who cannot take an equity risk now though may do so when markets recover and deferred receipts can become payable. We are on the cusp of the public led phase of regeneration and housing development

## wales has unique opportunity



Peter Griffiths, Chief Executive, Principality Building Society

**The financial turmoil we have experienced this past year has been unique. Now that the initial storm has passed the main worry is the extent of the spillover into the economy. Confidence throughout the economy has taken a battering and it will be key to resolving the problems brought about by the financial system's troubles.**

The UK Government's interventions are welcome but it is still a little early to tell what impact they will have. People are taking stock and waiting to see what becomes of the actions by authorities across the world. In essence the crisis has been driven by a lack of cash and confidence. I would expect to see both slowly return in the short term but confidence will lag.

As a mutual building society, the Principality is involved in the financial markets so we have not been immune from the turmoil. We have no exposures to the troubled US subprime mortgage market or to the Icelandic banks. Our business model is heavily geared to retail deposits, with 88 per cent of our loan books funded from those deposits. We do not rely heavily on the wholesale funding markets which have struggled for the last few months. We are seeing early signs that Libor – the rate that indicates the cost of banks lending unsecured funds to other banks in London

– has begun falling, albeit slowly. This is a positive indicator for the return to normality of the interbank lending market.

There are other unresolved issues. Fair value (or mark to market) accounting – where assets are regularly marked against their contemporary market value – has driven large write-downs in the market value of some asset classes. This in turn has led to some criticism and challenges for fair value's use going forward. Some pundits suggest that this has contributed to the recent problems. I would expect this policy to be further challenged in the months ahead.

Wales has a unique opportunity to stimulate its own economy. The public sector pound will be a critical component in containing the pace of the economic decline. As one example there is currently a shortfall in the funding needed to meet the requirements of the Welsh Housing Quality Standard. Redoubling efforts – and introducing extra funding – to meet the WHQS will give the construction sector a much needed boost and helping to avoid redundancies.

2009 will be a difficult year. Confidence is a fragile flower but the re-introduction of a fully functioning banking sector suggests that spring may be in the air.

## power shift from west to east



Mervyn Davies, chairman of Standard Chartered Bank

**If you had asked any of us six months ago, I doubt anyone would have predicted that the largest insurer in the world and that some of the largest banks in UK and Switzerland would be partly nationalised, or that three of the Wall Street's biggest investment banking brands would disappear.**

The impact of the crisis was greatly underestimated and it is probably the worst of its kind that we have seen. The concerted action taken by governments across the world is a good thing and we will now see confidence in the banking industry slowly returning. However, I would not rule out any more surprises and we are yet to fully gauge the second order consequences of this crisis.

The shape of the industry has fundamentally changed for the next ten to twenty years. There needs to be an international, co-ordinated response with a thorough review of regulatory regimes across the world. This will no doubt have a lasting effect on us all.

Banking is essentially about taking measured risks, so risk taking will remain but banks will begin to price risk more effectively. Over-complicated products, that few people understand, will disappear. But this will not dampen financial innovation – it needs to continue as there is still demand for it, especially in markets where banking is not as mature as in the West. There is already a debate raging whether banks will get smaller, shrink their balance sheets, focus on their core markets and business and internationalise less.

I think the overriding effect that will be clear once the dust settles is the fundamental shift of power from the West to the East. Asia is already being affected by current events, but the region will recover more quickly than the West and the pace of recovery will be much faster. This is a time for us all to reflect on the lessons that have been learnt:

- Banking is a cyclical industry.
- Liquidity is as important as credit evaluation.
- Mis-pricing of risk can have fatal consequences.

Banks may also need to reconsider their compensation arrangements to ensure the effective management of risk. The current circumstances show more than ever that we are part of a global industry and any response needs to be international. When similar events happened in Asia a decade ago, we learnt the value of liquidity, we saw governments take ownership of

banks and stock markets collapse but the bounce back happened quickly.

Company boards will have to take a closer look at the risk-reward metric. There is no doubt that talent needs to be awarded, and high performers will need to be rewarded, but there should not be an irrational correlation between risk and reward.

We should stick to what we are good at, work with the products in the markets that we fully understand. We should re-evaluate risk management and stay vigilant in the way we do business. We should respond quickly to changes and not take ill considered risks. At the same time we should using the crisis to our advantage – it has created new opportunities that should be grasped.

## kick start social housing



Professor  
Andrew Henley,  
Head of  
Swansea  
University's  
School of  
Business and  
Economics

**Not many observers foresaw the scale and depth of the problems that have come to light during the past year. The seizing up of credit movements and the financial markets has revealed the results of remarkable growth in the financial sector that has been accompanied by little regulation. Now that the UK Government has stepped in I am hopeful that the taxpayer's short-term investments in the banks and financial institutions will eventually turn to profits. We have also seen the Assembly Government pledge to try to do its bit to get the Welsh construction sector moving again.**

The economy is now correcting and a recession looks almost certain. What we can expect now is continued volatility in the markets and the wider economy as people work out the extent of the impact of the credit crunch and financial slowdown on the real economy. In the shorter term we have seen a construction sector crash and the near collapse of activity in the UK mortgages market.

The problems began in the USA with their subprime mortgage market, a sector that we never developed in the UK. However, during the past four or five years we have had a housing bubble that was always destined for a slowdown – and we will probably see house prices falling for another year or so. A very pressing problem is the near collapse of mortgage activity, with the level of mortgages issued a fraction of the level compared with even a few months ago. In the early 1990s we had similar problems and it took until 1996 for the problems to resolve.

Unlike in the USA, housing is still a good long-term investment here. At the moment, however, there are psychological and economic barriers. Buyers are holding out for the house prices to reach a trough before purchasing. Sellers, on the other hand, have seen their houses fall in market value and are unwilling to sell at what they see as a loss-making price. It can take time for sellers to adjust asking prices to realistic levels.

Strangely enough, despite the boom in city centre flat developments – many of which are presently unoccupied – we have a chronic long-term undersupply in houses in the UK. This owner-occupied sector is inextricably linked to social housing, which is an important sector in Wales. Shortages in social and affordable housing have pushed people into taking mortgages. As we start to return to a sensible, more stable housing market with less competition and short-termism, we ought to start building more housing, including social housing. However, to achieve this on a wide scale the planning system requires reform.

# Liberal Democrat leadership



jenny randerson

**Politics has changed in Wales since the last Assembly Elections. During the previous term of minority government, all four parties had lost their edge because of the need to create stable government through consensus. The Welsh Lib Dems were as guilty of this as the rest. Our 2007 manifesto was long on detail but short on big ideas.**

**The Liberal Democrats, long known as the party of ideas, seemed to have become frightened of original thought.**

Just over a year of Labour–Plaid coalition government has seen a sharpening of the edges in Welsh politics. Labour and Plaid have reinforced each other's socialist dogma, opting for centralising solutions based on identical template models. The seven large new health bodies, based on identical structures are a typical example of this approach.

The challenge for the new leader of our party is to define our place in this new politics. This will have to be done against the backdrop of the collapse of unregulated capitalism and of massive financial upheavals which will have a major impact on Welsh prosperity. The years of big public spending increases, the context in which the old socialist solutions flourish, are over.

I believe the answer lies in the empowerment of individuals and local communities. There are powerful forces at work in Welsh society and the Welsh Lib Dem vision of the future politics of Wales has to identify and engage with these forces.

The credit crunch has underlined the global interdependence of our economies. It should have clipped the wings of the small minority who demand independence for Wales but it must not be used as an excuse for easing up on progress towards greater devolution of powers. Since devolution, the strength of Welsh identity has increased and this will continue. The muddled settlement with which we struggle on a daily basis is inefficient and ineffective. If we are to win a referendum, a 'Yes' campaign has to start now.

Wales has always been a grouping of separate, yet distinct communities. However, since devolution the north/south divide has developed a worrying new perspective. Fixing that divide is about more than faster train services, much as they are needed. We should not seek uniformity of vision between north and south

but we need to address the democratic deficit which results from the north looking east to England for both its services and media.

To reinvigorate our economy we have to establish a strong niche in an expanding international market. We have the opportunity to do this by working towards environmental salvation through becoming a world leader in environmental development and green energy and, in turn, creating thousands of green jobs along the way. For too many, the environment conjures up an enduring image of rural pastures and green hills, all of which deserve our care and attention. But the urban environment is an even greater green challenge and nowhere more essentially so than in the Welsh valleys.

Wales must jettison the Labour–Plaid commitment that rejects Public Private Partnerships. We must harness all streams of legitimate funding through new mechanisms that have a distinct 'Made in Wales' brand. These mechanisms must be based on a genuine partnership where the private sector does not dictate the needs of government, but serves those needs. It is the job of the Assembly Government to provide the expertise and devise efficient ways of developing such mechanisms so that they can be used effectively by the public sector.

Disillusionment with politics runs deep in our society and we should all worry about the current weakening of democracy. Politicians are rightly concerned about the exclusion of young people from the political process, but too often the discussion centres only on modern campaigning techniques. Important as those are, there has to be substance behind them. It is ideas and ideals which inspire young people.

My party needs to rise to the challenge of honing our message so that it has clarity and resonance. Liberalism is easy to understand when boldly expressed. It is a passionate tradition in Wales and we must reignite that passion now. The Liberal emphasis on freedom has sometimes been difficult to articulate. In a democracy, we have all taken too much for granted. Plans for ID Cards, proposals to monitor all of our phone calls and emails and high profile cases of personal data loss have again alerted us to the need to guard our personal freedoms. For the first time since the last World war, we are all thinking seriously about the deeper meanings of freedom.

• *Jenny Randerson is Liberal Democrat AM for Cardiff Central.*

# contest



## kirsty williams

**I am incredibly proud that the Welsh Liberal Democrats are on the verge of electing the first female party leader in Wales. It is a significant point in Welsh political history, and one that will follow a decade of immense change in how our country is governed.**

I have had the privilege of being involved in that change, from the referendum campaign and the National Assembly Advisory group through to the rough and tumble of three election victories in Brecon and Radnorshire. That process of change is not about to stop and I want the Welsh Liberal Democrats to be at the front of it.

It is clear that our party in both UK and Scottish terms have elected a new generation of political leaders in Nick Clegg and Tavish Scott. In Wales, too, a new generation of politicians will emerge in the next few years and as a party we cannot afford to be left behind.

Yet, although the faces may change in the Bay many of the issues facing Wales remain the same. We sit at the bottom of too many league tables that measure prosperity and economic activity. Child poverty levels remain stubbornly high while educational attainment for too many remains unacceptably low. Many of our communities have failed to recover from previous recessions, let alone the one we face now.

I want to show the people of Wales that we are a party that is on their side, a party that resists at every turn the centralising tendencies of the current Assembly Government. We recognise that individual communities and not Cardiff Bay often know how to best solve the problems they face, if only politicians would stop talking and start listening. Wales may be a small nation, but even here one size does not fit all.

We must build on the platform left by Mike German, one that has seen real success in recent Westminster and County Council elections. However, we must also be honest with ourselves and acknowledge that we can and must do better at the Assembly level and ensure that the Liberal Democrat flag is flown all over Wales.

Our goal must be to be back in government, but back in government from a position of strength. This means

being able to gain credit for our actions and to build political momentum, something that we failed to do during the last coalition. Six Assembly seats cannot be the limit of our ambitions. If we are to move forward we have to take the fight to the other parties both in the Senedd and out onto the streets.

I passionately believe that the values of the Liberal Democrats – non-conformity, freedom, fairness, community and internationalism – are shared by a majority of the people of Wales. However, too few people make the connection between those values and what we stand for as a political force.

We must create a new narrative that resonates with voters. We must play to our strength of localism but combine it with a new sense of professionalism in our organisation and activity. We have prided ourselves on campaigning abilities but many parties now copy those techniques so we must keep ahead of the game.

The next few years will be crucial. We must build on the success of the councils we lead. There can be no no-go areas for us. We also have the opportunity to be at the forefront of the debates and campaigns that others can't or won't take on. A great place to start would be the one that finally settles the constitutional settlement for our country.

In the few short weeks since I announced my intention to stand for the leadership the size of the challenge to take us to the next level of electoral success has become apparent, but so too has the determination of our members and supporters to take on that challenge.

The demands that face us will require ambition, energy and self-confidence. It will require a vision to succeed and a passion for conviction politics. I believe I can bring all of these qualities to the leadership of the Welsh Liberal Democrats.

• **Kirsty Williams** is Liberal Democrat AM for Brecon and Radnor.

# surviving the crunch

**rhys david  
and nick morris**  
survey how Wales  
is coping with  
the economic  
downturn

**h**urricane Credit Crunch has traversed the Atlantic leaving a trail of destruction in the City of London before sweeping north to cripple some of Scotland's leading financial institutions and then finishing with a violent storm over Iceland. With a much smaller financial sector Wales has not been directly caught up and might even escape relatively lightly. However, as the clearing up begins in earnest elsewhere the most difficult times for the Welsh economy and people could be still to come.

Wales has to date experienced small squalls. Some of our big house-builders were registering discomfort shortly after the Northern Rock debacle began in August 2007. Redrow's shares have plummeted from 400p to below 200p in the past year and one of Wales's other house builders,

David McLean, has gone into administration. Other small Welsh house-builders have also gone into liquidation and, as a symptom of the sector's woes, Bellway's 17 storey apartment block in Cardiff Bay was halted at the first floor.

The effects are now reaching further down the chain, and will claim new victims for some time to come. Castle Cement, in Flint, has experienced a 20 per cent drop in product demand and is considering job cuts to adjust to lower demand. Similar announcements can be expected over the months ahead from other suppliers of building materials – such as stone, aggregates, bricks and roofing products – a sector still of considerable importance to Wales.

Other services supporting the construction sector have also been making cuts and more can be expected. Wales's three building societies – Principality, Monmouthshire and Swansea – have come through the crisis relatively unscathed. Principality, the biggest of the three, has limited dependence on money market funds to support lending but it has had curtail its Moneypilot mortgage advisory operation with a small number of job losses.

The former building societies turned banks have had considerably larger problems, although Welsh savers' deposits with them come under guarantee commitments from the UK Government. The absorption of Halifax Bank of Scotland (HBOS) into Lloyds, of Alliance & Leicester into Santander, the nationalisation of Bradford & Bingley, and the take-over of the Cheshire building society by sector leader, Nationwide, are certain to result in extensive branch rationalisation, particularly in towns with several of these institutions. This will bring job losses, reduce local spending power, and empty shops on high streets, itself further depressing the retail property market.

There is also another less visible potential threat to Welsh jobs. Scottish pride has been hit by the loss of HBOS – which incorporated one of Britain's oldest banks, the note-issuing Bank of Scotland – and by the weakening and probable majority nationalisation of the Royal Bank of Scotland, owner of National Westminster and other top financial services brands. Job losses in Scotland's banking community seem inevitable as control is transferred to London. Cardiff, Newport and Swansea all host sizeable Lloyds TSB back office operations which could conceivably be targeted as part of any trade off to sweeten the blow to the Scots, who will no doubt fight to maintain Scottish jobs.

Despite Wales's small financial services sector it has a niche housing finance area. Hodge Equity Release, part of Cardiff's Julian Hodge Bank, claims to have pioneered the first equity release product in 1965. The sector has grown substantially as more people have sought to take a lump sum out from the previously growing value of their homes to spend in retirement. With the value of properties having declined by 10 per cent or more in recent months, demand has plummeted. How this will affect individual equity release providers remains to be seen.

Tighter credit availability and rising levels of unemployment – up to 5.9 per cent in Wales in October following a 10,000 jump in September – are also bound to affect the high street. The £600 million St. David's 2 retail-led scheme, due to open in late 2009, will double Cardiff's city centre shopping capacity, featuring 1 million square feet itself. It is currently half let, including a 200,000 square foot John Lewis store.

If the UK economy contracts over the next few years, retailers attracted to the development cannot avoid taking business from retailers elsewhere in



Symbol of the recession: Bellway's 17-storey office block in a prime position facing the Millennium Centre in Cardiff Bay has been mothballed, with building work halted at the first floor.

Cardiff city centre and from other retail centres. In the short term St David's 2 will almost certainly lead to a loss of business in shopping centres in the south Wales valleys neighbouring Cardiff and perhaps in Swansea and Newport, which also have their own new shopping developments forthcoming. Some trade might also be attracted from further afield in counties bordering Wales and some Welsh spending may be repatriated from Cribbs Causeway near Bristol. However, Bristol has itself added to its shopping offer with the new Cabot Circus centre opened this autumn.

The impact on the industrial economy of Wales is harder to predict, though the decline in world-wide car sales has already affected two key component manufacturers, Ford at Bridgend and Calsonic in Llanelli. Welsh manufacturing output and jobs have recently declined, with the shift in production to lower cost centres. The sector is no longer significantly bigger in many parts of Wales than in other UK

regions. Welsh output is largely for intermediate markets – products that are used in other manufactured goods rather than sold directly to consumers. Welsh manufacturers may be less vulnerable, therefore, to a downturn in consumer spending. However, because of largely external ownership they also have less control over their own destiny.

Recent surveys of Welsh business sentiment have revealed a mixed picture. One study, the Purchasing Managers Index, found output, employment and orders in the private sector economy had all declined in September. It also reported the fifteenth contraction in the private sector workforce in the past 18 months, and continuing higher costs for raw materials, utilities and fuel. However, according to the Institute of Chartered Accountants, a smaller proportion expects the impact of financial instability on their organisations to last more than two years. Growth expectations among those businesses planning to expand are higher than in the rest of the UK. More

disturbingly, given the likely performance of the UK economy over the next few years, fewer than half of all Welsh businesses are involved in overseas activity and fewer than a quarter of those surveyed said they were planning to increase the number of countries they sell to or to adapt products or services to markets other than the UK.

One of the Welsh economy's best hopes could be the more limited impact of the credit crunch, so far at any rate, on the BRIC countries (Brazil, Russia, India and China), all of which have extensive investment requirements and could provide continued strong markets for industrial products from Wales once the storm has subsided. But even these markets have cut back on their own heavy industrial output in recent months, including aluminium production.

China's caution has affected world markets, leading to heavy losses in mining shares. Current uncertainty has persuaded Tata, owner of UK-Dutch

steel an aluminium producer, to make 20 per cent cuts in its projected output. With its vast currency reserves China has strengthened its position. The world must hope China and the other new economies will compensate for lower demand from Western countries, with their own huge development and investment requirements, building the transport, educational, health and other infrastructure needed to raise their people's living standards and boosting the world economy in the process.

The slowdown will also challenge the public sector, which has around a third of the Welsh workforce. Financial problems have revealed the width and depth of the interconnections in the global economic system. It exposed financial institutions that were over-reliant on credit, and organisations and individuals exposed to those institutions' assets and loans. The near collapse of Iceland's banking system revealed that more than £70m of Welsh public funds were frozen in Icelandic banks.

Even last year – early in the financial turmoil – the Assembly Government was facing down local authorities' demands for improved budget settlements. Tighter council budgets usually mean service efficiencies, cuts or council tax rises for the public. The Assembly Government had to draw on funding reserves in its latest draft budget. Inflation will eat into funds passed from Westminster to Cardiff Bay and into those distributed to Wales's 22 local authorities. The draft budget from the Assembly Government was based on a 2.7 per cent inflation rate but the Consumer Price Index reached 5.2 per cent in August 2008. Higher costs for energy and other goods will also affect budgets.

Wales receives its funding from block grants that are linked to increases in UK Government spending and Wales's UK population share. UK tax receipts will fall and place pressure on UK Government expenditure. For example, the UK financial services sector contributes about 27.5 per cent of

corporation tax, which will fall as the sector contracts.

What of the agricultural economy? Welsh farmers will have to rethink some of the strategies adopted over recent years to cope with likely changes in consumer spending patterns. Much time and effort has gone into developing branded Welsh lamb and beef and organic ranges of dairy and other products. While over the long term this makes considerable sense, given the difficulties of competing with nations such as Brazil and the USA that can practise industrial-scale agriculture, over the short term Welsh farmers are likely to suffer from a shift in consumer purchasing back to cheaper imports and away from more expensive alternatives.

As a result Welsh farmers and food processors will have to think about supplying more of the premium lines offered by the established supermarkets, as well as more expensive organic or other niche products. Also, they will need to forge links with budget supermarkets such as Aldi and Lidl that are currently building market share. Wales's agri-industry also needs to diversify away from its heavy dependence on meat towards other crops to spread risks.

Tourism is important to the Welsh economy and could suffer in an economic downturn. Visitors to Wales spend about £3 billion a year, according to the Assembly Government. The effect of higher fuel prices on travel and a weaker pound could negatively affect tourist growth, particularly from beyond the UK. Indeed, before the economic troubles started, the number of UK visitors arriving by plane, organised coach trips and cars fell during 2006-7 but the numbers arriving by train, coach and bus rose slightly.

The downturn's effect on tourism in Wales might take some time to be quantified and overlaps to a great extent with a more recent decline in Welsh tourism. The winter is traditionally a quieter time for Welsh tourism and the unstable weather during Summer 2008 probably negatively impacted on visitors. Between 2006 and 2007 there was a

decline in UK tourists' trip frequency, 'bed-nights' and spending in Wales. The decline followed years of tourist growth in Wales while the rest of the UK was suffering.

The economic downturn's effect on potential visitors' countries could also be a factor, in their ability and confidence to organise trips to Wales. Ireland, USA and Germany supplied the most overseas visitors to Wales during 2006-2007 and these nations have all been hit by the credit crunch.

If there is any good to come from the crisis it is the opportunity to question some of the nostrums that have become current over recent years. Successive governments have unthinkingly embraced globalisation and dismissed concerns about the specialisation Britain has developed in a few sectors, such as financial services, despite the damage this has caused in poorer regions and nations. Wales has been unable to participate fully in this sector and has been forced to cede its own specialisms to other countries.

The importance of developing a more balanced UK economy with greater emphasis on developing and retaining manufacturing skills now needs to be restated. Rather than the pursuit of more call centres and financial service back offices this ought to be the new goal of the Welsh government, which also needs the full support of the Welsh university sector in producing the graduates who can lead us into a more sustainable economic template. The Assembly Government's first economic summit, held in October 2008, is an encouraging sign – but the summit's action plan must be rigorously implemented.

• *Rhys David is a former Financial Times journalist and a Trustee of the Institute of Welsh Affairs. Nick Morris is a Research Officer with the IWA.*



Artist's impression of the 'hothouse' – new home for University of Wales, Newport's business and art schools, upriver from the Riverside Theatre. "Its design is deliberately constructed to act like a University without walls."

anne carlile says culture is a bridge to Newport's economic future

# creative regeneration

Britain has produced its fair share of artistic embellishments scattered around revamped inner cities and docklands like disembodied pieces of jewellery, usually in the name of public art. Sometimes this has resulted in memorable landmarks. But for the most part they have failed to unlock their full potential. This is because one of the key components of culture as an agent for change – the cultural producers – have not been factored sufficiently into the equation.

Fortunately, the presence of large numbers of artists and cultural producers in Newport is an essential component of its urban regeneration master-plan. Momentum behind this approach means that part of the redevelopment is now being talked about in terms of a 'left bank' and a 'cultural quarter'.

Of course, some have questioned the concept of a cultural quarter for Newport. However, this may be because

they have not noticed the joined up strategy that culture in all its forms is important to the future of the city is shared by business, the City Council, the University of Wales, Newport and the regeneration company, Newport Unlimited.

There is no question that culture can have a transformative impact upon cities. Temple Bar in Dublin was formerly a run down area before the artists moved in. Seattle, a city on the edge of the USA, became centre stage as a home for avant-garde musicians and artists. Perhaps the most famous example is Soho in New York and, of course, there is Soho and the East end in London. In these successful examples the artists stay and go on to become part of the larger community. They contribute to the economy by attracting other investors and businesses, and also by their ability to set up businesses themselves and to generally contribute to the growth of the next generation of the creative industries.

The creative industries are one of the fastest growing in the UK. We have the largest creative sector in the EU, and relative to GDP probably the largest in the world. They account for 7.3 per cent of the economy and are comparable in size to the financial services industry – following the crash probably larger. They employ over 1 million people directly, while another 80,000 work in creative occupations. The UK is one of the largest providers of art, design and media education in the world, second only to the USA. Around 136 institutions offer courses in art, media and design, producing over 137,000 graduates a year.

Most of Wales's universities offer subjects allied to the creative industries. Nonetheless, the portfolio of the Welsh art schools is primarily complementary, rather than competitive, and employability is surprisingly good.

Each year hundreds of art, media and design graduates, the life blood of the creative industries, emerge from

## economy

Newport and other cities in Wales. The challenge is how we ensure that these fledging creative people stay and build business and industries that will benefit our culture and economy.

In Newport this challenge has led the University and the City to combine to develop a major University presence in the city, which will provide an integrated home for both the University's business and art schools. An important part of this initiative has been to bring the artists back into the city. In the process we are creating an environment which will benefit business in the region, particularly the development of the creative industries.

It is no accident that the new campus is positioned prominently in the cultural quarter, upriver from the Riverside Theatre. Its design is deliberately constructed to act like a University without walls. At the heart of the development is an innovative glass structure called the Hothouse, which will provide a dynamic 'think tank'

environment, designed to be both a metaphorical and literal seedbed for interaction between academia, business and industry.

Also moving the cultural quarter is the award winning International Film School Wales, which has Skillset Screen Academy Status. Newport's European Centre for Photographic Research is exploring the creation of a National Centre of Photography with other key national providers such as Ffotogallery. This could either sit alongside the campus or form part of a new Centre for Contemporary Art. The future presence of hundreds of fashion and design students and graduates will provide additional impetus to the studio and workshop culture already developing in the city.

The IWA's 'Cultural Quarter for Newport' conference, held at the Riverside Theatre in June 2008, brought together cultural groups and activists, councillors, politicians, cultural agencies and the University. It was agreed that a

'Cultural Consortium' should be established to progress to the next level the concept of a cultural quarter in Newport.

If we are to succeed we must ensure that culture and the creative industries are embedded as a living core in the city's fabric. Renowned for its many bridges, which after all are first and foremost about making connections, it is perhaps not surprising that Newport is leading the way in putting this apparently simple, yet elusive concept at the heart of its regeneration.

• *Professor Anne Carlisle is Deputy Vice Chancellor at the University of Wales, Newport.*

## Y Comisiwn Annibynnol ar Ariannu a Chyllid i Gymru

## Independent Commission on Funding & Finance for Wales

### Galwad am Dystiolaeth

Mae Llywodraeth Cynulliad Cymru wedi sefydlu Comisiwn Annibynnol ar Ariannu a Chyllid i Gymru, i'w gadeirio gan Gerald Holtham.

Cylch gorchwyl y Comisiwn yw:

- edrych ar fanteision ac anfantseision y dull a ddefnyddir ar hyn o bryd i ddsbarthu adnoddau gwariant cyhoeddus i Lywodraeth Cynulliad Cymru; a
- chanfod ffyrdd gwahanol o gyllido gan gynnwys y posibilrwydd y gallai Llywodraeth Cynulliad Cymru gael pwerau amrywio trethi yn ogystal â phwerau cael benthg arian.

Er mwyn hwyluso ei waith, mae'r Comisiwn wedi galw am dystiolaeth gan rai sydd â diddordeb yn ei waith, i'w hanfon erbyn 15 Rhagfyr 2008.

Mae mwy o wybodaeth ar gael ar [www.adolygiadariannucymru.org](http://www.adolygiadariannucymru.org)

neu oddi wrth:

Gareth Morgan  
Ysgrifennydd  
Y Comisiwn Annibynnol ar Ariannu a Chyllid i Gymru  
Ystafell 2-017  
Adeiladau'r Goron  
Parc Cathays  
Caerdydd, CF10 3NQ

### Call for Evidence

The Welsh Assembly Government has established an Independent Commission on Funding and Finance for Wales, to be chaired by Gerald Holtham.

The Commission's terms of reference are to:

- look at the pros and cons of the present formula-based approach to the distribution of public expenditure resources to the Welsh Assembly Government; and
- identify possible alternative funding mechanisms including the scope for the Welsh Assembly Government to have tax varying powers as well as powers to borrow.

To assist its work the Commission has issued a call for evidence from interested parties, who are invited to submit evidence by 15 December 2008.

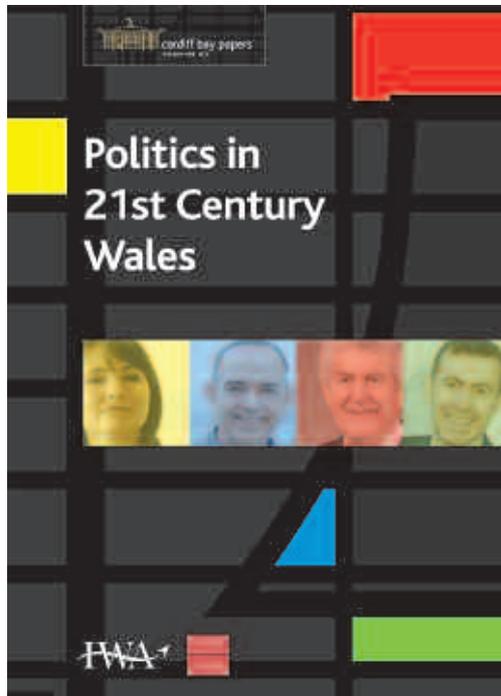
Further information is available at [www.walesfundingreview.org](http://www.walesfundingreview.org)

or from:

Gareth Morgan  
Secretary  
Independent Commission on Funding and Finance for Wales  
Room 2-017  
Crown Buildings  
Cathays Park  
Cardiff, CF10 3NQ

# idealists and pragmatists

**peter stead casts an eye over some prognostications for politics in 21st Century Wales**



It was utterly reasonable and appropriate for the IWA to invite four party representatives to consider what lies ahead for Welsh politics in the current yet infant century. The four selected party authors have conspired to provide a fascinating read but one that must have surprised the IWA as much as it will the general reader.

To a greater or lesser extent all four seem reluctant to dive too deeply into the unknown. In his remarkably frank and sharp introductory appraisal the political analyst Anthony Barnett rightly suggests that all four authors seem more at home in the 1990s than in the new century. And in their discussion of the new century it is the party negotiations of May 2007 that loom large and form the starting point for any consideration of possibilities and prognostication. The authors may well have been chosen for their respective roles in those coalition negotiations and, of course, they were writing before the recession was confirmed in October 2008. Nevertheless, one might have expected the politicians to take this opportunity to step aside from the immediate political agenda by previewing a re-energised Wales in this new century.

In several places respective contributors emphasise how few political activists there are in Wales. Perhaps it is only those activists who still believe that everybody in Wales can be divided into four political camps. The four voices heard in this volume indicate the extent of complexity in Wales, even amongst those who support a degree of Welsh

self-government. Evidently we are divided as much by our chosen rhetoric as by our ideologies. Readers should let rhetoric be their guide and tackle these essays in an order that differs from that offered by the IWA.

The Liberal Democrat essay is presented by Kirsty Williams in a tone of what one may term Primitive Rebelliousness. She assures us, perhaps to the disappointment of some readers, that she is “not advocating armed insurrection” but she certainly works up a head of steam. She is from Llanelli and consequently hates the Tories. Her main concern is to explain and justify her 2007 role as a ‘wrecker of the Rainbow Coalition’. For her the Rainbow *All Wales Accord* was insufficiently Liberal. Meanwhile, Labour’s approach to change is too piecemeal and, accordingly, its age is adjudged to ‘be over’. At the same time she dismisses the “lazy intellectualism and easy rhetoric” of the Nationalists. She wants radical change, change that will come from the bottom as the introduction of PR at the local level will release the basically radical impulses of the Welsh people.

Nobody would accuse Adam Price of being ‘a lazy intellectual’ although clearly he stands guilty of being an intellectual. Like many who attempt to philosophise about Welsh politics, the Nationalist MP for Carmarthen East is convinced that the public life of the nation must be conducted in such a way that guarantees the establishment and defence of moral and humanist qualities. Perhaps Price currently expresses to a unique extent what was once a more general longing for the comfort that Nonconformist Christianity, Primitive Socialism, Marxism, the Miners’ Federation and pit-village life all used to offer. For him the Labour Party has become crudely and exclusively concerned with ‘redistributive egalitarianism’, and is as closely associated with market forces as capitalism itself. He turns for satisfaction to the notion of an independent Wales and to the ideas and jargon of all those recent intellectuals who attempt to outline social

philosophies and theologies that allow moral values to be sustained by new kinds of political association.

So much for the idealists. We turn now to the realists. Devolution has been good to Nick Bourne and he has deserved his rise to the role of Leader of the Opposition in the Assembly. He has in essence created a new political party in Wales, given it electoral credibility, almost taken it into government, helped to change the nature of the British Conservative Party, and made it possible for people in Wales to support devolution and the extension of Assembly powers without being either a corporatist or statist of the nationalist or neo-Marxist sort. His policies “are based on deliverability, affordability and localism”. His no-nonsense approach to Welsh governance will ensure he plays a key role in the constitutional battles ahead. His importance is made very evident in his crucial advice that “if we are going to inject new life into our political system then we must stop talking in crypto management-speak and diktats and acronyms that turn people off and limit accessibility”.

This brings us to the arch-realist First Minister whose essay is a masterpiece of laid-back dispassionate reflection. He writes in the knowledge that, all-in all, given the forces that he has had to overcome in his own party, both in London and Wales, and allowing, too, for proportional representation, he has done well to gain general acceptance for the Assembly, to almost single-handedly keep Labour in the driving seat and at the same time to set the clock of constitutional change ticking steadily. Firmly he urges his Labour colleagues to embrace an all-Wales strategy and to rid themselves of those attitudes that encourage “the charge that Labour stands for some diluted or half-hearted form of Welshness”. In other words, there is more to Wales than the Valleys and Labour should embrace rather than suspect the Welsh dimension.

There is an almost breathtaking down-to-earth directness about Rhodri’s valedictory advice to his colleagues.

There is no longer any need to agonise over Britishness, it’s all a matter of working the system to our advantage. Meanwhile, we need fewer local councils and preferably ones elected by PR. All the while his emphasis is straightforwardly on making Wales work. His almost cavalier attitude to issues that, in the past have occasioned endless conferences and workshops and kept Adam Price and his ilk reading through the night, is brilliantly summed up by an almost throw away summing up of Labour’s approach: “a preference for cooperation over competition, a pragmatic, rather than ideological approach to markets and private finance and so on”!

Rhodri writes in the knowledge that as long as Labour is in power in London there is likely to be a coalition government in Cardiff. But he also knows that, given the right leadership, his party has every chance of remaining at the forefront of that government. The most remarkable feature of 21st Century Wales has been the way in which professional bodies have accepted devolved politics. We should never underestimate the extent to which professionals employed in public life and in associated consulting and service industries have a vested interest in making the political settlement work.

However, things can become too cosy and perhaps all these essays needed to concede some reference to wider energies in Wales. Bureaucracy can be as inimical to freedom as denial. Moral values can be sustained as much by cultural agencies as by political movements. And above all, surely the nature of politics in 21st Century Wales will be crucially determined by the extent to which we allow our schools to empower and liberate our young people?

All parties take themselves a little too seriously. They should settle for being catalysts and give the rest of us a chance.

• *Peter Stead is a writer and cultural historian. Politics in 21st Century Wales is available from the IWA at £10 (£7.50 to IWA members) plus £1.50 P & P*



# opinion finder

**aled edwards  
assesses the role  
of the all-Wales  
convention**

**i**t's fitting that a totally new type of political Convention in modern Western politics should find its most prolific discourse thus far on Facebook. However, this early emphasis on web-based interaction is now changing to a more traditional cycle of public consultation, while a more thorough communication strategy will get underway from January 2009.

Conventions have traditionally been given the task of writing constitutions and forging specific political settlements. Wales's unique Convention has been given a modern set of tasks for very modern political needs. As the recent Irish vote on the Lisbon agreement shows, discerning European political hegemonies

have quickly got wise to the reality that modern electorates do not easily consent to constitutional change. Arguments must be clear and compelling and perhaps born from an intense frustration with a governmental status quo.

Creating the All Wales Convention with its distinctive brief provides a marker of a new maturity in Welsh politics rather than an indicator of political nervousness or insecurity. As it did with the gender balance in its representation, devolved Wales finds itself leading the way once again. The benefits of holding a thorough public conversation before proceeding to the question of a referendum should be self-evident to the politically prudent and astute. The Convention has four tasks, of:

Chair Sir Emyr Jones Parry heads up members of the All-Wales Convention following their first meeting at the Pierhead Building, Cardiff Bay, in July 2008.

# join the



## and support our work



"The IWA occupies a unique place in Welsh public life. Its

analysis of current issues is always professional and extremely helpful."

Lord Richard of Ammanford  
Chairman of the Richard Commission



"In a time of transition for Wales, politically, the Institute of

Welsh Affairs provides a vital forum for all sides to come together over both strategically important and contentious issues."

Baroness Ilora Finlay of Llandaff  
Professor of Palliative Medicine Cardiff University



"The IWA is a quite extraordinarily valuable body, and I am very proud to be a member of it."

Lord (Kenneth) Morgan  
One of Wales's leading historians

The work of the IWA depends on the support and contribution of individual members across Wales and beyond who share our determination to mobilise the nation's human and social resources in order to face the challenges ahead.

By bringing together partners in business, academia, and the public and voluntary sectors, the IWA is helping to shape economic, social, educational, environmental and cultural policy across Wales.

I wish to become a member and enclose a cheque for £40.

I wish to become a member and pay by credit/debit card the sum of £\_\_\_\_/\_\_\_\_/\_\_\_\_

Account Number  
\_\_\_\_/\_\_\_\_/\_\_\_\_/\_\_\_\_

Expiry date \_\_/\_\_/\_\_

I wish to pay by Direct Debit (This will help us keep our costs down) Please send me a Direct Debit application form.

Please send me details about becoming an IWA Fellow.

please cut along here ✂

Name	Title
Address	
	Post Code
Telephone	Facsimile
E-mail	

Return to: Freepost RLTT-RBYS-JUUX  
Institute of Welsh Affairs  
1 Radnor Court 256 Cowbridge Road East Cardiff CF5 1GZ

- Raising awareness and improve understanding of the current arrangements for devolved government in Wales.
- Facilitating a widespread consultation on the issue of full law making powers.
- Preparing an analysis of the views expressed and the evidence presented through this process.
- Assessing the level of public support for giving the National Assembly for Wales primary law making powers and report to the Welsh Assembly Government on its findings, with recommendations relevant to the holding of a referendum.

The Convention has not been charged with the responsibility of ensuring that the referendum delivers a positive outcome. Its Chair, Sir Emyr Jones Parry, has emphasised that its role is not to argue a pro or anti Parliament line. Assessing the level of support for giving the National Assembly primary legislative powers is not synonymous with securing a Yes vote.

In making its assessments and recommendations, the Convention will go beyond the still valuable but sometimes superficial indicators of public mood and understanding provided by an array of now consistent opinion polls. From the polling evidence thus far, it is clear that having an Assembly with subordinate legislative powers has increasingly become the 'settled will' of the Welsh electorate. The question of whether there should or should not be an Assembly lies beyond the boundaries of the Convention's brief. So is the question of independence.

Crucially, however, it remains to be seen if the majorities now indicated by the polls in favour of giving the National Assembly primary legislative powers would hold through a robust referendum campaign. This is the essence of the Convention's task.

Meanwhile, the process of gleaning in depth data concerning public opinion and knowledge concerning the current settlement, through the means of independent research, is well in hand. We need to establish how far the Welsh public and key stakeholders in civic

society understand the way the current settlement is working. There are a number of related issues to explore:

- How the Assembly has gained and used a growing list of secondary legislative competencies since 1999.
- The extent to which the Assembly has pressed for Wales-only Bills and amendments to UK legislation.
- The way the Assembly has now begun to acquire powers to pass Assembly Measures through Legislative Competence Orders and provisions contained in UK Bills, under the 2006 Wales Act.

It will also be crucial to discuss what proceeding to hold a referendum, as set out in the provisions of Part 4 of the Government of Wales Act 2006, will and won't do. On face value, an affirmative referendum would enable the Assembly to pass Acts as opposed to Measures. To put it simply, Acts can be passed in all the devolved policy areas, without the need for Legislative Competence Orders or provisions in UK Bills to give the necessary powers to the Assembly.

At the same time, other aspects of the settlement would remain unaltered. The position whereby the Scottish Parliament works on the basis that everything is devolved unless it is specifically reserved to Westminster stands in sharp contrast to the position in Wales. Here the National Assembly works on the basis that everything is reserved to Westminster unless it is specifically devolved to the Assembly. As things stand that would remain unaltered.

At this stage in the process I cannot say when I think the most appropriate timing for holding a referendum would be. That view is honestly held by someone who campaigned passionately for the Assembly in 1997. For the time being, as an act of public service through the Convention, I am content, as a preacher once put it, "to make haste slowly" and "carefully".

• **Reverend Aled Edwards** is a member of the All Wales Convention Executive representing the Faith Forum.



# just say yes

**mike german  
argues that  
supporters of  
more powers for  
the Assembly  
should start  
campaigning  
now**

I never wanted a second referendum. And I certainly didn't want this one. But we are where we are. For devolution to progress, we need to win a new referendum – and to win, we need a Yes campaign to start work now.

The launch of a fledgling No campaign has brought this to the fore. The Two Davids (Tory MP Davies and Labour Caerphilly Cllr Rees) aren't waiting for a Yes campaign. Their 'True Wales' campaign is already seeding the ground, talking of 'slippery slopes' and 'a slide in to Soviet Style poverty'.

They have started their campaign, and in my experience, campaigning for a No is relatively easy. There is no positive case to make. You just have to sow enough fear, uncertainty and doubt that people hesitate.

Winning a Yes campaign is much harder. You have to bring together a broad coalition of those who think anything less than independence is a cop out, the federalists, the small 'n' nationalists, and those who know that the current settlement can only be improved by having a bit more power. You have to bring together some very

different people and get them passionate about doing something positive together.

I have been cajoling the party leaders since the turn of the year. Twice I have written to them. Twice, the only positive reply has come from Nick Bourne – one of the leaders of the last No campaign. It is clear to me that while the Tories may not be united on devolution, the pro-devolution elements at the top of the party are ready to co-operate.

The First Minister and his deputy, who respond with one voice on this issue, say it's too soon. But if not now, when? When the No campaign has built up a head of steam? Right now we have nothing to lose, and everything to gain. I'm not saying we need to have a full-blooded, eyeballs out, 100mph Yes campaign tomorrow. But we need to make a start. There is much to discuss.

At a technical level, we will have to overcome the deficiencies in the Welsh media. Too few people in Wales get their news from home-grown sources. We cannot leave them reliant on the skewed view from London. To reach every household, we will have to deliver our message personally. That means tapping in to the existing delivery networks of the pro-devolution parties, and recruiting new support in those areas where those networks are not so strong.

Persuading life-long rivals and competitors to work together can be difficult. Political parties spend their lives competing against each other. And it is volunteers who deliver the message. Those volunteers need convincing in order to put down their prejudices and work together. That's the key lesson I've learned from the last three referendum campaigns. Pro-devolution supporters need to be seen as a united front, people of all parties and no parties working together. That unity underlines the strength of the argument, and builds a

movement. Back in the 1975 Common Market referendum, Labour politicians were out on the doorsteps with colleagues in other parties. I don't think they've done it since. We need that level of trust and co-operation. That's how we'll get the job done.

I know some people have suggested holding a referendum on the same day as the Assembly election. What folly! Such timing would completely undermine the Yes campaign. Take Newport East or Swansea West for example. How would you expect Welsh Lib Dem activists to work with the very people we want to take the seat from? It would be impossible to develop the trust and co-operation I've just been talking about. All parties would inevitably put their self-interest first and the Yes campaign would suffer.



Waiting for the Convention is no answer. The Convention – as Sir Emyr Jones Parry never fails to make clear – is not a campaign. Its job is to listen and inform, not to persuade and cajole. It will tell us the state of the Nation. It will not tell the nation it needs more statehood (the Richard Commission has already done that).

A Yes campaign can and should work in parallel with the Convention. Putting the arguments that the Convention can't, and won't. I still

Monmouth Conservative MP David Davies, here pictured in his part-time role with the British Transport Police in London, has already launched a 'No' campaign.

believe there is a window to hold and win the referendum before the 2011 Welsh General Election. It's a small window, but we should take it.

Putting the referendum off helps no-one but the wreckers, the people who don't believe that Wales is worthy of having powers more akin to those in Scotland, Catalonia and Bavaria.

The devo-doubters Peter Hain, Rhodri Morgan and Ieuan Wyn Jones say they worry that the referendum won't be won. Well that's only a real risk if they continue to stall on campaigning.

All polls show that those in favour of greater powers are larger than those against, and are still growing. The recent Assembly poll showed most people have an understanding of the Assembly's powers. We have to trust the people of Wales. It's their country, and I believe they want a Senedd that has the tools not just to play at the edges and re-organise the health service every five years or so – but the tools to lift Wales to new heights.

Perhaps that's the real issue here. There is a failure to trust the people. That's a hallmark of the current Labour administrations in Westminster and Cardiff Bay. Plaid Cymru are stuck in the same mould. But devolution is all about trust. If politicians will not trust the people to support the project, we cannot be surprised if the people fail to trust us with the extra powers. The desire of the establishment for a referendum where a yes is a guaranteed outcome betrays more than a lack of trust. It betrays a lack of courage too.

If we wait beyond 2011, we run two risks: (i) that a Tory government decides to shelve devolution; and (ii) that we will be having a referendum on an obsolete question.

Devolution, as they say, is a process not an event. In Scotland, they are moving on to the next question: what is the proper way to fund a devolved nation? The Calman Commission – effectively Gordon Brown's response to the growth of

Scottish Nationalism – will report next year. We risk fighting a battle sometime in the next decade, on a question that should have been settled last year. Or not fighting it at all, because the English Tories don't want to. These to me seem bigger risks than that of losing a referendum before 2011.

In 1997 we won the referendum to start the devolution process by only 6,721 votes. Every vote, in every county, will count next time, too. I believe this referendum is winnable, and winnable before 2011. But the longer Rhodri and Ieuan stall on joining the fight, the longer Wales will be waiting for a proper Parliament.

• *Mike German is Liberal Democrat AM for South Wales East.*



*"We are what we repeatedly do. Excellence, therefore, is not an act, but a habit."*  
Aristotle

Our reputation is over 40 years old. We are the UK's largest executive recruitment business with the most extensive national and international reach. Our long experience and strong principles have stamped absolute discretion, integrity and care on our activities for both clients and candidates.

We are the only leading firm to have demonstrated our commitment to Wales by establishing a fully staffed office in Cardiff, and are proud to include the Institute of Welsh Affairs among our clients.

We recognise the need for organisations to reinforce their executive and non executive teams with more focus being placed on how executive talent is attracted, harnessed and developed within Wales. We deliver industry and functional expertise with flair and energy and have a unique spread of sectors, functions and specialist practices covering both the public and private sectors.

New appointments change lives. Candidates and their families can be profoundly affected. For employers, key appointments will transform organisations. We aim to guide our clients towards those appointments that provide confidence and lasting value.

If you would like to discuss how Odgers Ray & Berndtson could help your business in winning the war for talent, please call Jemma Terry or Victoria Provis.

 **ODGERS RAY & BERNDTSON**

Odgers Ray & Berndtson, Temple Court,  
13 Cathedral Road, Cardiff CF11 9HA  
Tel: 029 2078 6515 [www.odgers.com](http://www.odgers.com)

# community government

paul griffiths  
discusses the  
progressive ideas  
underpinning the  
Labour-Plaid  
coalition



Alexis de  
Tocqueville

*“The strength of free nations resides in the township. Town institutions are to freedom what primary schools are to knowledge; they bring it within people’s reach and give men the enjoyment and habit of using it for peaceful ends. Without town institutions a nation can establish a free government but has not the spirit of freedom itself.”*

*Democracy in America*  
Penguin, 2003.

The debate around a progressive agenda for Wales uncovers several age old tensions, unearths many shibboleths, fetishes and straw-men but has thus far missed the role to be accorded to community and locality.

In the Winter 2006-07 issue of Agenda my former colleague Mark Drakeford set out the themes that have informed a large part of the distinctive policy approach of the Welsh Assembly Government:

- Expansion of universal services to confirm social cohesion and bind the middle class into social democracy.
- A limitation on the market in public services as responsive diversity is developed through stimulating and managing the networks across organisational boundaries.
- A commitment to democratic government.

The responses collated by the IWA in its new publication *Unpacking the Progressive Consensus* provide a reminder of the constancy of the dilemmas and contradictions which inform the positions that we take over the roles and nature of state and society. When the dawn of democratic government began to creep across Europe in the 18th and 19th Centuries, the concern of the liberal intellectual was over the space for the individual, and protecting the energy of enterprise and voluntary associations from the oppression of the majority and the dictatorship of the proletariat.

When New Labour set out to supplant traditional Labour in the 1990s it presented an analysis, sometimes a parody, of the failings of the social democratic tradition which replicated the liberal concerns over an autocratic state. Labour in government, it was claimed, had been over-centralised, too statist, unresponsive to the growing aspirations of the individual, crowding

out the enterprise and innovation of the market and civil association.

The New Labour critique of the devolved government in Wales is that we are backward looking, Bonapartist or Attlee-esque; in essence thoroughly un-modern and that as the people of Wales emerge from their poverty of experience, ideas and resources they will come to conform to the New Labour prescription.

In reality, devolved governments in Wales have well recognised the challenges of modern government: how to meet rising aspirations from limited resources; how to motivate an increasingly unequal society to respond to the imperatives of social justice. Our responses, however, have not always been those of New Labour. On occasion we have sought to motivate the middle class through universalising services rather than continuing the slide towards a residual state. We have sought to expand choice through networks rather than markets, on the pragmatic argument that markets often limit the diversity of services available.

But the critique remains that the progressive agenda in Wales is essentially top-down, statist and therefore inhibiting to enterprise and innovation. The answer lies in the consistent stress that has thus far been placed on the role of community in the definition and provision of public services in Wales.

Writing in the first half of the 19th Century, Alexis de Tocqueville was a bundle of personal and intellectual contradictions. He was from the minor nobility and bourgeois to the tips of his fine fingers, and yet a committed democrat and egalitarian, with an unwavering opposition to all forms of despotism. His resolution of these contradictions lay in his promotion of community based association and government (see Panel).

When the Welsh Government has promoted community-based schooling, community-based health care, community regeneration, and community-based local government, it has recognised with Tocqueville that its commitment to progressive government can only be sustained, and prevented from shifting to a stultifying autocracy, because of the commitment to community-based government. There are, however, current challenges to this commitment which unless countered will come to undermine the whole progressive agenda itself.

The May 2008 local elections were presented to the people of Wales as a referendum on the personality of Gordon Brown, or on the taxation policies of the UK Government. A London, and even Cardiff-based media appeared determined to overwhelm any judgement of local issues and policies with speculation over UK political trends. The results were not reported in terms of the impact on Merthyr Tydfil or Ynys Môn but in terms of the future leadership of the Westminster and Assembly Governments.

There is a view that the attachment to community is being weakened by increased affluence and aspiration which change both attitudes and geography as people move from established communities to new, anomic settlements with weaker social relationships. The argument is that modern, aspirational Wales is less connected to communities and will favour the choice-based public service agenda that places markets before locality, and individual over collective experiences. The evidence to back up this thesis is weak. The more affluent and aspirational people in Wales want personalised public services which respond more precisely to the needs of themselves, their children and extended families. However, they also want local services and there is often evidence that the 'save our local service' campaigns are being led by the more affluent 'in-comer' to communities, living on the new estate.

Most significant in recent times has been the resurgence of the sentiment

that we have too much local democracy in Wales, too many councils and too many councillors. It is asserted that less localism would mean less parochialism which would be a very good thing. It finds expression in the call for a further local government reorganisation which appears to be based on the view that bigger is somehow better. It is the argument of the mid 20th Century that witnessed ever larger units of production with ever greater concentrations of power and control throughout the public and private sectors. Larger organisations were held to have greater strategic capacities and more scope for specialisation. The downside of course was they became ever more detached from citizens, customers and communities. Instead, they became more attuned to the aspirations of producers.

There is a deeper sentiment behind this view that too much democracy gets in the way of good government. There are two political traditions in Wales that have been woven across the divides of political parties. One is the tradition of the 'werin', a celebration of the capacities of ordinary working people to take control of their own affairs. The other is the tradition of the 'crachach': the view that our destinies are best formed by the select few, the Calvinist elect who provide the elders of our chapels, the boards of our Quangos, and the chairs of our universities. It is this latter tradition which has long queried the legitimacy of elected politicians, lamenting the calibre of councillors and Assembly Members, failing to value the roots that such people have in the communities they serve. This is the sentiment which promotes fewer politicians and forms of government which does things to people rather than with people.

There is so much that Wales can learn from the experience of community-based democracies in mainland Europe. From Scandinavia to the Mediterranean local services are provided by forms of community government which operate successfully on a far smaller scale than in Wales, often providing a cohesion and local ownership of which we can only dream. There was

recently a presentation in Wales from a Flanders government official who explained how that region was leading Europe in recycling and the management of waste. One response from a Welsh professional was that to do the same in Wales we needed larger councils and fewer politicians. He was clearly deaf to the report that Flanders achieved its success with 160 local authorities serving an average population of less than 40,000.

Much is being made of the current proposal to create seven local health boards which is seen as a precursor to what will happen to local government. The excitement generated by this analysis is not based on the detail of the proposals. There is a belated rejection of the market model of health care. Local Health Boards and Trusts, freed from the fruitless distraction of commissioning hospital services, will concentrate on the provision of community-based health services. While they may have a governance structure based on seven units they will need operational structures based on communities, with a capacity to build partnerships with local people and local organisations. This is entirely consistent with the current pattern of local authorities and with the recognition that a dynamic health service needs community support and ownership.

Much needs to be done to improve local government and local democracy. We need better connections with local people, better connections with local civic society, revitalised political parties better able to act on a community basis, more innovation, better performance and better networks across organisational and geographical boundaries. Community remains the key to a progressive Wales. It is often ill served by our various elites who too often seek to impose upon the rest of us their aloof and unhappy detachment from community involvement.

• *Paul Griffiths is a public service consultant and former senior special adviser to the Welsh Assembly Government.*

# devolving buses



huw lewis  
outlines his  
proposals for  
applying a  
franchise system  
to bus routes  
in Wales

devolution is like a brand new vehicle that we are so busy admiring we forget it is there to drive. I always used to refer to a shiny sports car with that analogy, but now it might be more appropriate to think in terms of a modern, clean and safe bus.

My bid to devolve powers relating to buses and coaches to Wales is, I hope, a transparently common sense next step in our bid to develop an integrated modern public transport system. The “dramatic improvement in public transport”, promised in the *One Wales* coalition agreement, is a goal

Merthyr AM  
Huw Lewis:  
test driving  
the Wales  
2006 Act.

anyone who cares about social justice or the environment should fully support. However, currently we do not have all the legislative tools we need to deliver on those aspirations.

My proposals to bring these powers to Wales are rooted in a belief that we should be exploring a franchise model of bus provision, similar to the one operating in London and elsewhere in Europe. Franchising is the best available model to ensure that non-profitable but socially valuable routes are properly catered for and that providers meet certain standards over safety and cleanliness.

This kind of franchise model, I found out recently, matches quite closely a policy agreed by the Scottish National Party at their final Conference before the last elections. Their 11th hour decision to take the pledge out of their final manifesto is shrouded in controversy, but happily the idea has been resurrected by a Labour MSP who intends to bring forward his own proposals on the matter. The franchise solution has clear merit and, in Wales at least, cross party support.

I should not get ahead of myself, however, for the bid for further powers is just that. Should I be successful in bringing forward this Legislative Competence Order, there is no guarantee that it will be used to develop the public transport system in my favour. That decision will rest with the Transport Minister and the Assembly Government more generally.

Before we can consider even that, there are many challenges ahead. Firstly, the Minister for Transport in London, Ruth Kelly, has only recently announced her decision to step down. Consequently, the initial positive conversations I held with her office will need to be had all over again.

There are challenges, too, in overcoming the fear amongst bus operators that this is 'nationalisation by the backdoor', or that there is implicit criticism contained within the legislative bid. Neither of these fears has any basis. Indeed, there are real opportunities here for private companies willing to engage

with the process. A successful franchise system has all the advantages of combining public control and service specification with the benefits of private operation. The stability of long-term contracts, which protects bus users from short-notice service withdrawals, also helps bus operators plan for the future.

As I have repeated to stakeholders since winning the ballot to introduce this Legislative Competence Order, it is a learning process for us all. I was therefore glad to see the number and quality of consultation responses which came in over the summer. While the great majority of respondents back the principle of devolving these powers to Wales, and there is a great deal of interest in pursuing the franchising model, there have been some genuine concerns, not least from the Transport Consortium covering my own region of South East Wales. It will not do to ignore these well-thought out concerns and it is clear there is work to do in creating a more robustly worded and better evidenced rationale for the proposals. But that is why we consult, and that is how we ensure against bad law.

One of the issues raised about devolving further powers to Wales relates to the upcoming Local Transport Bill going through Parliament. While it is true that, if passed, the Bill will make it easier for local authorities to negotiate a 'Quality Contract' with bus operators, this still places local authorities on the back foot in terms of having to make a case against current provision. Indeed, Quality Contracts are so complex that only one had been introduced by any local authority in England and Wales at the time the Local Transport Bill was being drafted. The Association of Transport Commissioning Officers was vocal in its belief that the Bill did not go far enough in addressing the needs of bus users. If the Association has doubts, people should listen. It is telling that they sponsored an amendment to introduce a system of Tendered Network Zones, similar to the franchising model.

There are other questions. For example, should the Traffic

Commissioner who is responsible for enforcing standards in Wales really be based in Birmingham (or London as the new Local Transport Bill seems to suggest)?

Devolving these powers would allow us to address other problems, aside from those partially addressed by the Local Transport Bill. For example, the transfer of powers over buses and coaches could help us overcome the stumbling blocks we have encountered in introducing new regulations on school transport safety. So much of transport policy already depends on funding and decision-making by the Assembly Government, it makes sense to have the full legal toolkit at our disposal.

To return to the analogy I started with, apart from the benefits I believe these powers could offer transportation in Wales, this is very much a test drive of how the new Government of Wales Act works in practice. I have been impressed by the willingness of all political parties and people from across civic society to get involved. I hope the next stage of the process allows us to work together further in developing robust proposals to change for the better the way public transport works in Wales.

• *Huw Lewis is Labour AM for Merthyr.*



# newport bypass

A view of the Gwent levels - 'Wales's most important lowland wetland landscape', under threat.

## Julian branscombe puts the case against the projected M4 relief road

**t**he Welsh Assembly Government committed to the M4 Relief road south of Newport in December 2004. However, the delay since then in producing the Outline Business Case for the road strongly suggests that the announcement was made without reworking costs, identifying viable financing or undertaking a full cost-benefit analysis.

Meanwhile, the project would badly damage the Gwent Levels, Wales's most important lowland wetland landscape, and be a major threat to wildlife.

The Assembly Government faces a momentous decision. The outcome will determine whether it truly values the local and global environment, and its long-term intentions for the Welsh economy. The construction cost of the new M4 is likely to be in the order of a billion pounds. Experience of motorists' willingness to pay means it is unlikely that the new M4 would make a viable toll road. A Private Finance Initiative may be the only way to commission the scheme. Annual repayments for taxpayers across Wales could be as much as £100million a year for decades. When an Assembly Government cost-benefit case for the new M4 is eventually produced, the economic assumptions will be the subject of great scrutiny.

Surely our major public investment decisions need to focus on how best to directly meet the needs of all, whilst observing the imperative to limit our global carbon and resource footprint? The current financial turmoil and the start of

### M4 Relief Road Timeline

- **Early 2009** – Outline Business Case submitted to Minister.
- **Mid 2009** – Draft Orders, Regulations and Environmental Statement published.
- **Late 2009** – Possible public local inquiry.
- **2010** – Provisional start of construction.

Source: Welsh Assembly Government website

Campaigners against the M4 relief road rally outside the Senedd Building in Cardiff Bay in September 2008.



a global recession are focusing attention on what is of real value, and how to define poverty in a world which has greater material wealth than ever before.

No-one now doubts that in the medium term the oil price will continue to rise. In a decade or two, could motorway junction business parks be seen as a huge end of the Millennium folly? Whatever the future holds in oil prices, surely it is better to be weaned off the M4 corridor, and put our places of work at public transport nodes, which are as available to car-free households in Merthyr, Rhyimey and Ebbw Vale as to car borne commuters from Swindon and Swansea.

In the past, Newport was the hub of the Eastern Valleys and lowland Monmouthshire. Now it struggles to compete with Cardiff and Bristol as a retail and business location. However, a new M4 would become a second Newport bypass, allowing people to speed off in either direction along the old and new M4s. Wouldn't it be better to invest in Newport as a city, and re-energise and expand the public transport network that served it so well until 20 or 30 years ago?

The work of the *Valuing our Environment* partnership, led by the National Trust, shows that one in six jobs in

Wales is dependant on our natural environment, through land management and tourism. What is more, the original 2001 study unearthed research to show that environmental quality influenced a third of investment decisions in England. In Wales the wonderful diversity of our landscapes and wildlife should be even more influential in encouraging inward investment.

Building a new motorway through the Gwent Levels could be killing the goose that should be laying us golden eggs. Newport needs to be marketed as a high-quality city surrounded by green lungs, from the Valleys to Wentwood Forest and the Gwent Levels. Encircling it with motorways hardly seems the best way to offer this setting as its Unique Selling Proposition.

There is much that can be done to ensure slower, but safe and predictable traffic flows along the M4. Indeed, I agree wholeheartedly with the call from the Director of CBI Wales, David Rosser, for "an urgent appraisal of any methods of managing the current motorway to maximise the flow of traffic through the Newport area". However, the CBI also wants a new M4, citing the Brynglas tunnels as a major bottleneck. The perception about the tunnels is widely-held, although significant hold-ups are rare. This is in sharp contrast to the daily jams coming into Cardiff and Newport, and at other well-known flashpoints such as the roundabouts between Pontypool and Cwmbran. There is abundant evidence that new roads start filling-up as soon as they are built. A new M4 would increase car-use, thereby adding pressure across south Wales at rush hour and worsening the daily scramble for car parking places.

The reality is that we need to address our increased reliance on transport. We always managed in the past perfectly well without long daily commutes, and the majority of our goods were still shipped and driven around the world. Reducing the speed of road transport – even when and where our roads are relatively empty – would assist in tipping the balance in favour of locally-focused lives. We need public transport to be as cheap as, and faster than, going by car. And surely we can do significantly more to reduce our transport needs if we wholly embraced how we can do business with the help of our much-vaunted telecommunication technology.

• **Julian Branscombe** is Chief Executive of Gwent Wildlife Trust.



neil anderson advocates  
a radical alternative to new  
road projects

# light rail



Light rail system in the small town of Valenciennes, in the Nord Département on the Scheldt river, close to the border with Belgium.

Currently, the M4 is being widened between Castleton (Junction 29) and Coryton (Junction 32). This will no doubt be considered as a good investment either in spite of, or more likely because of, the additional traffic it will generate. This might be termed the win-win proposition of new roads, a beguiling but deceptive and disingenuous argument, especially when considering higher speeds and accident severity.

Widening sub-standard sections of the M4 between Magor (Junction 23) and Castleton (Junction 29), and doubling the Bryn Glas tunnels, would similarly appear as the appropriate response. The cost and technical difficulties are not insurmountable, but should not be under-estimated. The terrain is hostile, and housing would be lost, never a popular option for politicians or residents when the compensation is so miserable.

In 1999 an Ove Arup report discussed alternatives to the 'M4 Relief Road'. It showed that a hybrid public transport enhancement/traffic demand management approach produced the best economic outcome. However, doubts were expressed as to its acceptability, fundability and deliverability within the powers the Secretary of State for Wales then had. As a result the M4 Relief Road emerged as a solution. But the Ove Arup report was published almost a decade ago. Since then our circumstances, if not the perceptions

## environment

of some policy makers, have changed. In particular, the enhanced transportation and legislative powers now enjoyed by the Welsh Assembly Government should be able to make a difference.

Access to Cardiff airport is another problem. The route from Cardiff city is along the A48 through Culverhouse Cross. Frequently congested there and beyond, the access roads are narrow. Access from the M4 for freight is also deemed to be important, though the amount passing through the airport is miniscule. Three alternative road proposals have been identified to improve access. Each proposal has negative environmental impacts, and each would encourage traffic growth.

Forgetting the dubious sustainability of air travel on its present vast scale, the Vale of Glamorgan rail line is close by and logically should serve the airport. However, the gradient of the line from Rhoose to the airport is too steep for heavy rail, and tunnelling would be difficult to justify. Access by rail was therefore dismissed at an earlier stage.

Given the cost of these two schemes – perhaps £2billion in total – a safer, more sustainable and strategic approach should be sought. Is there anything else we might spend that much on that could reduce our reliance on non-renewable oil?

Enter stage left, another mode of transport: light rail. Although it is expensive, many small and large cities throughout Europe have found it affordable. Less than a century ago trams were commonplace in many UK cities, including Cardiff. They had a marked influence on the urban form and offered an efficient, low-impact, sociable and collective form of cheap transport.

Let's then imagine a Newport to Cardiff Airport light rail line located on the A48 and Newport Road, through central Cardiff to Cowbridge Road and beyond. The east-west route would be the main spine of a network constructed incrementally thereafter to give adequate coverage to Cardiff, Newport and their environs. A line from Thornhill

to Cardiff Bay would be one appropriate cross-route, and there are other potential orbital and radial routes that should be considered in the context of the Wales Spatial Plan and existing travel patterns.

Light rail could manage the incline at Rhoose, connecting the city with the airport and reducing the traffic around Culverhouse Cross. But an on-street line through Canton, Ely and Culverhouse Cross would have even greater benefits. The network should largely be on-street to maximise its accessibility and availability. Designed well, a light rail network would significantly reduce vehicle use on the A48 on both sides of Cardiff, along the M4 and within both cities. It would be an effective solution to the urban mobility problem.

The network should also be freight-capable, connecting freight consolidation centres near the motorway junctions, ports and railheads with spurs in retail centres. Freight would add a significant income stream to light rail revenues and help finance the maintenance and extension of the network.

There have been suggestions that the Valley lines should be converted to a light rail operation to gain the advantages of lower track wear, faster acceleration and on-street running in the centre of Cardiff. As it is, the Valley lines provide good coverage and penetration in areas close to their alignments and stations. Conversion to light rail would not improve upon that, though shorter travel times would marginally increase ridership and modal shift from cars.

It would be expensive to convert or extend high-level platforms, and to secure new rolling stock. Far better for that investment to be applied to a light rail network that would complement heavy rail, penetrating where the latter would be uneconomic. Nevertheless, certain key stations could become light rail-capable, as much for freight as for passengers. There may be scope for express and other services to on-street destinations. Track duplication at such stations would allow trains to pass each other.

On the return of light rail to Cardiff and Newport, the primary role of buses would be as feeders to rail stations, transport interchanges and light rail stops, and providing express services.

The Welsh Assembly Government is in a position to choose to perpetuate the car culture or to opt for a sustainable path away from oil. A light rail system would not come cheap. But it would be popular, attract car-users, add style and peace to our cities, and offer safety and sustainability. Given the relatively small distances between populated areas in south Wales, light rail would relieve pressure on road networks, and remove the need for an M4 relief road.



Light rail tram in Dresden, Germany

• *Neil Anderson is a Cardiff-based consultant who has worked on mass transit projects in Australia, New Zealand and England.*

# glyndŵr university

michael scott explains why Wales's newest university has named itself after a 15th century rebel leader

Owain Glyndŵr (1349 – 1416) is known to many as a, if not the, national hero of Wales. A supporter of King Richard II, he rose up against what he considered to be the usurper, Henry Bolingbroke, when the latter forced Richard's abdication. Bolingbroke had himself crowned King "by the grace of God" not by natural succession. In his revolt across Wales and the Marchland Glyndŵr took this as a precedent and had himself crowned Prince of Wales "by grace of God".

It was a neat political and legal point. Glyndŵr was educated as a lawyer at the Inns of Court and valued the rule of law. Bolingbroke had changed the constitution, the very basis of law, by force of arms. As a descendant of at least two of Wales's royal dynasties, Glyndŵr believed he had a greater legal right to the title Prince of Wales, than anyone else chosen by Bolingbroke.

In 1404 Glyndŵr called the first Parliament in Wales. He believed in representation in the decision making process of governance. He argued for freedom of expression in the Church and in 1406 called for the establishment of two universities in Wales: one in the north, one in the south. It is appropriate, therefore, that a university has now been founded, not only bearing Glyndŵr's name, but also honouring the four freedoms of modern society: the sovereignty of Parliament, the

independence of the judiciary, the freedom of expression and the autonomy of the universities.

The past year has seen four universities in Wales changing their names. For three the change was simple and uncontroversial. University of Wales, Aberystwyth; University of Wales, Bangor and University of Wales, Swansea became Aberystwyth University, Bangor University and Swansea University respectively. Swansea Institute's change of name was a little less straight forward as it became Swansea Metropolitan University.

For NEWI (The North East Wales Institute) the choice would be more difficult. We wanted a name that would make the university stand out. For a long time we have prided ourselves on being different from other universities and now we had the opportunity to demonstrate that in our name. Whatever name was chosen it had to reflect the new type of university we wished to be. It had to reflect an institution that was modern, outward looking, but proudly Welsh. It had to help in the recruitment of students and be relevant to the needs of Wales and it had to have some connection to the part of Wales in which the university would be located.

University title is granted by the Privy Council upon the recommendation of the Quality Assurance Agency (QAA). We knew

Michael Scott pictured next to the Owain Glyndŵr statue in the Hall of Heroes, Cardiff City Hall.

from the *One Wales* document there was significant political good will towards our obtaining university status. With such support we were confident that once the QAA had recommended NEWI for university title the process would be quick. We believed therefore that the timetable for the rebranding was going to be extremely tight if we were to be ready under a new name for the September 2008 intake of students.

We had engaged a firm of branding specialists to start work on developing the name and visual identity of the new university. Their first job was to undertake a study of possible names and make a recommendation to the Institute's Board of Governors. Names and branding of other universities and organisations across the UK were examined. The specialists also spoke to staff, students, governors, senior management, politicians and other stakeholders to see what they expected of the name and the university.

This allowed the consultants to produce a long list of names divided into four categories: geographical locators, individuals of note; names based on mission and vision and the more abstract names. Surprisingly the first of these gave the most problems. One possible choice was University of Wrexham. This was rejected not only because such a traditional formula (University of somewhere) failed to convey the fact that we wanted the new university to be different from every other university, but also because it excluded other areas of north east Wales. Our university was as much for the people of Flintshire and Denbighshire as it was for the people of Wrexham. The name North East Wales University was considered and rejected as again it did not properly convey the magnitude of the change affecting the Institute. Nor did it translate particularly well into Welsh – the English acronym NEWU would almost certainly have been used, giving us the same problem as we had had with using NEWI in Welsh language documents.

Some people argued strongly for Clwyd University and others for Offa's

Dyke University. Others argued even more strongly against those names. There was even a suggestion of Alham Castle University, using a very old name for Wrexham.

The idea of a name based on the mission and vision was considered, resulting in a proposal for Enterprise University. An unusual suggestion, bridging two categories, came in the form of Govannon University, named after a Celtic god. More abstract suggestions included Red Kite University. However, the scarcity of red kites in the Wrexham area argued against this suggestion.

Naming the university after an individual of note was not without problems either. The explorer Henry Morton Stanley and Bishop William Morgan both had their advocates. Ultimately, however, the consultants presented a shortlist to the Board of Governors which, after considerable deliberation, agreed that the new university should bear the name of the greatest hero in Welsh history, Owain Glyndŵr.

It has to be said that the choice was not without its opponents. Fears were expressed that international and European students would be discouraged from attending – although it appears Glyndŵr is considerably better known across the rest of Europe than he is in England. Others said the name was “too Welsh”. It is difficult to imagine an English university rejecting a name because it sounded “too English”.

To address these concerns meetings were held for all staff where the reasoning behind the choice of name was explained. These meetings were crucial in obtaining widespread support for the proposal.

Once the governors and staff were convinced, the wider public needed to be engaged. The Privy Council requires all aspiring universities to undertake a public consultation on their name to ensure that there is no possible confusion between the proposed name and that of an existing university. In doing this we were particularly grateful

to the Vice-Chancellor of Swansea Metropolitan University for his advice as he had undertaken a similar process a few months earlier.

No objections were raised to the new name and so a formal application was made to the Privy Council for NEWI to become Glyndŵr University and for the title of Principal and Chief Executive to be replaced with that of Vice-Chancellor and Chief Executive.

Two months after the application was submitted the Privy Council gave its formal approval to the new name and status and on 3 July 2008 Glyndŵr University officially came into existence. Having waited 120 years for university title we felt we could wait a few more days in order to arrange an event worthy of the announcement. Rumours, however, soon began to circulate and so few people who attended the special meeting for all staff on the morning of 18 July were unaware of the momentous news that was to be announced from the stage.

Politicians of all parties were highly supportive of our efforts to get university title and so it was appropriate that it was the First Minister who rose to his feet to make the official announcement. Proceedings then took a more formal turn as the first ever Congregation of Glyndŵr University was held at which an honorary fellowship was conferred on Rhodri Morgan.

How did the public respond to this bold new name? Even the hardened staff of my office were overwhelmed by the tremendous enthusiasm for the name from all sectors of society. For nearly two months hardly a day went by without letters, cards or emails arriving bearing messages of congratulations and goodwill. We seemed to have hit a chord with the people of Wales and, indeed, throughout the UK.

During the consultation period one particular concern was frequently raised. Glyndŵr University needed a locator and so although the official name approved by the Privy Council was to be Glyndŵr University, in practice this



First Minister Rhodri Morgan is made an Honorary Fellow at Glyndŵr University's first Congregation, held in July 2008.

would be supplemented by the word Wrexham. This also meant that, as the University has plans for a new campus on the Welsh College of Horticulture's campus in Northop near Mold, that new campus could become Glyndŵr University, Flintshire, providing Flintshire with a university campus for the first time. Plans are also advanced for Glyndŵr University, Denbighshire.

Compared to the struggle to get the name agreed, the choice of a branding image was simple. Our branding consultants produced a detailed set of guidelines for a branding based on vertical coloured lines. This too has won considerable praise from inside and outside the higher education sector.

Rebranding takes time and money. Signage across the university needed to be changed and all our publicity material needed to be

produced under the Glyndŵr University name. Unfortunately, we only had two weeks after the First Minister's announcement before one of the biggest cultural events in Europe, the National Eisteddfod was to start. Having a presence at the Eisteddfod was vital for us, yet time and money were in short supply. Nonetheless, excellent suppliers and imaginative solutions meant that the University's stand at the Eisteddfod was entirely branded as Glyndŵr University, with Glyndŵr University prospectuses in English and Welsh, banners and promotional material all carrying the new branding.

It would be naive of me to claim the whole rebranding exercise was undertaken without any problem. Yet the truth is there were very few – or at least few that could not be remedied. It is true we have had to tweak the logo a little,

some features have been quietly dropped and with hindsight we might like to have made a little more of other aspects. On the whole I think we have achieved this momentous transformation into Glyndŵr University in a significantly less painful and troublesome way that I could have hoped. We now have the university, a highly important name and considerable goodwill. All we need to do now is make it work.

• **Professor Michael Scott** is Vice-Chancellor and Chief Executive of Glyndŵr University.

# critical mass

huw beynon  
outlines a new  
collaboration that  
strengthens Welsh  
social science  
research

Many of the most detailed and complex problems facing society in the 21st Century call for investigation and analysis based upon the interdisciplinary social sciences. This was a conclusion of the 2002 Rhind Commission, set up to inquire into the state of social sciences in the UK (*Great Expectations: the Social Sciences in Britain*). It found support for this view in the major funding bodies, in Whitehall and the devolved administrations, in business and in the media. It found particularly strong support for social science from the National Assembly where it was seen to have a major role to play in addressing the problems associated with de-industrialisation.

However, in the view of the Rhind Commission, much of the research effort in Britain was insubstantial, organised as a 'cottage industry' around individuals and small research groups. In its view, universities needed to create a critical mass of social science researchers, providing the basis for developing large, coherent, interdisciplinary teams, capable of bringing new approaches to pressing social issues. There were indications that this analysis found favour within the Economic and Social Research Council, a major funder of social science research and increasingly infrastructure.

The problem was seen in an acute form in Wales where Rhind commented on the deficit in funding related to the research assessment exercise. Others have pointed to the poor aggregate performance of researchers in Wales, in competition for funds from all of the research councils. Our research effort was thinly stretched across a number of intuitions, with high quality researchers often operating in isolated groups at sub-departmental level. Problems such as these led the Higher

Education Funding Council for Wales to set up a Reconfiguration and Collaboration Scheme aimed at producing 'landscape changes' through more joint working and capacity building. In the view of the Assembly Government Wales had the opportunity to prosper as a "small and clever country" in which collaboration would be a key element.

Post Rhind, the ESRC had also been attracted to the idea of collaboration, especially in relation to the development and dissemination of methodological expertise. The National Centre for Research Methods, based at the University of Southampton, and its linked nodes (one of them at Cardiff University), was one expression of this policy in operation.

In 2008 the two organisations – HEFCW and the ESRC – joined forces to shape and support a bid for a new Wales Institute for Social and Economic Research, Data and Methods (WISERD) with a grant of £4.8 million. In an odd way this innovation, which came out of a weakness in the Welsh research base, has produced one of the most advanced and exciting examples of interdisciplinary and inter-institutional collaboration yet attempted in the UK.

The new Institute will have its hub at Cardiff University, which will coordinate activities across five campuses (Aberystwyth, Bangor, Cardiff, Glamorgan and Swansea). It brings together established researchers with strong expertise in economics and finance, education, geography, political science, sociology, social policy and socio-legal studies. Together they have worked on a variety of projects which, in their different ways, have focused on social and economic change in the newly devolved Wales, and the problems facing the regeneration of local communities. Within the new Institute they will be

supported by an additional 27 researchers, trainers, project managers and senior administrative staff. Many of these posts will be permanent ones.

It is well recognised that a considerable amount of the data collected by social scientists are sparingly used at best. Researchers in Wales – especially those working in the most deprived areas – are already being questioned about the need for their project and how and in what ways it differs from previous ones, the outcomes of which were obscure. In questioning the purpose of social scientific inquiry, people are raising, albeit in new forms, the age-old question asked by Staughton Lynd in his book *Knowledge For What?*

WISERD aims to answer this question in a number of ways. It will begin by considering what has gone before and bring together, integrate and make more usable and accessible the wide range of existing quantitative and qualitative social science data that relate to Wales. This will be the hub around

which other activities will develop and from which an extensive programme of training and capacity building will emerge.

Building on these foundations WISERD will introduce a phased series of locality studies across Wales. These will provide sites of detailed data collection and methodological development. Participative forms of inquiry will engage people in discussions about the places in which they live and how these could be changed for the better. Social science will engage with publics over the kinds of knowledge that we can develop about places in Wales and their trajectories.

Wales is changing. It is no longer dominated by coal and steel. Women now make up half of the work force and migrants are at the core of the food packing industry whose factories span the country. It still remains a relatively poor country within the UK with many problems associated with ill health and related economic inactivity. The new

devolved government is based on a coalition between the Labour Party and Plaid Cymru. A third of the councillors in Welsh local authorities are now 'Independents'. It is a country of sharp contrasts.

WISERD will analyse these changes and through trend assessments and local forums provide policy assessments that will place the problems of Wales within a broad comparative context. In so doing it will both strengthen the organisation and capacity of social scientific research in Wales, and help to embed social scientific engagement within Welsh civil society.

• **Huw Beynon** is Director of the School of Social Sciences at Cardiff University.

# Visionary thinking Meddwl yn weledigaethol



Cardiff University is proud to be a member of IWA as we both celebrate anniversary years.

Mae Prifysgol Caerdydd yn falch o fod yn aelod o IWA wrth i'r naill a'r llall ohonom ddathlu pen-blwyddi arbennig.

# science business

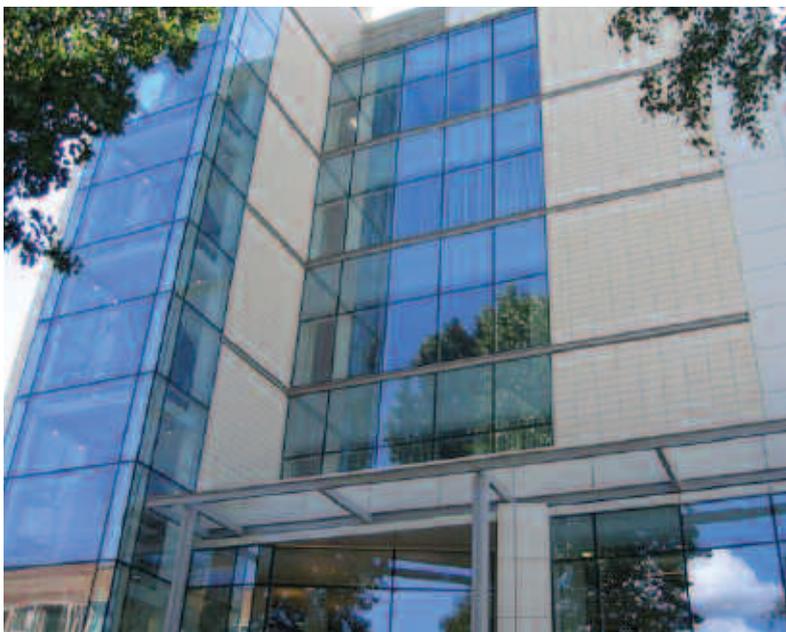
**john osmond  
examines the way  
science is being  
put at the centre  
of the Assembly  
Government's  
economic policy**

Combining scientific research with business development is central to the economic thinking of the Welsh Assembly Government. First Minister Rhodri Morgan, who has branded himself Wales's Minister for Science and is in the process of appointing a Chief Scientific Adviser, has placed science at the heart of his economic development plans. The Government declared in early 2006, "A science policy tailored to Wales's needs will help accelerate the development of a knowledge economy as well as enhance the quality of higher education, the health service, the environment, agriculture and evidence-based government in general."

In practice the Government's approach has focused on efforts to commercialise research and development in two main sectors: the health and life sciences, and promoting a low carbon economy through renewable technologies. This is building on existing clusters of business research activity. The Government is encouraging these sectors through strategic public investment in new University research centres also aimed at leveraging in private sector investment.

In 2003 an Ernst and Young report for the former Welsh Development Agency (now absorbed into the Government) identified 290 companies across Wales active in bioscience, including drug discovery technologies, non-invasive surgery, diagnostics, medical services, clinical trials, and pharmaceuticals. The report advocated multidisciplinary research involving industry, academia and the NHS. Accordingly, a MediWales industry network has been established alongside NHS networks which together are being urged to identify potential clinical collaborations within NHS Wales to provide access points for industry.

The new Institute of Life Sciences building at Swansea University.



Wales has long been a major player in energy production, especially with coal and nuclear power. Now there is a determined move to diversify into renewables. In photovoltaics Wales has companies such as Sharp in Wrexham and G24 in Cardiff, together with supply chain companies. There is also a solid state lighting industry consortium and companies in micro generation development and installation. To support them the Assembly Government has developed programmes such as SMARTCymru, a scheme that assists new product and process development delivered through nine innovation Technium centres across Wales, and the Knowledge Exploitation Fund which provides financial support to HE institutions to help knowledge transfer to industry. There has also been funding for the energy business sector through the EU Objective 1 and Convergence programmes.

These efforts are being undertaken against the grain of twin realities that Wales is a small country with, as yet, no devolved responsibilities in science and with very few private sector or UK government research establishments. Nonetheless, in the past few years some important initiatives have been pursued by the Assembly Government.

At Swansea University a £50 million Institute of Life Sciences has been formed as the research arm of the Swansea School of Medicine. Described exuberantly by Rhodri Morgan as “the jewel in the crown of Wales” this is a unique collaboration between the Welsh Assembly Government, the European Union, the University, the computer giant IBM, Boots plc, and the venture capital firm Longbow.

As part of the relationship with IBM, a dedicated ‘Blue C’ super computer is housed in the Institute’s £12.5 million purpose-built six storey building on the University campus. One of its uses is to enable the Institute to make more effective use of health informatics to drive clinical trials and complex disease modelling. The partnership has also created the Boots Centre for Innovation, backed by a £40



*The One Wales coalition in action: Labour's Education Minister Jane Hutt, and Plaid's Deputy First Minister Ieuan Wyn Jones, jointly open the new Institute of Biological, Environmental and Rural Sciences at Aberystwyth University in April 2008.*

million venture capital fund, aimed at translating therapeutic innovations into everyday clinical practice. Already there has been some spin-out company success, for example:

- Allerna Therapeutics, a drug development company originating within the School of Medicine, that explores breakthrough treatments for asthma and other allergic diseases.
- Calon Cardio-Technology which is developing the next generation of implantable micro-pumps for the treatment of heart failure.

In Aberystwyth the largest grouping of scientists in the UK in the fields of biology, environmental and rural sciences was created in April 2008. This was achieved by the merger of the Institute of Grassland and Environmental Research with the departments of Biological Science and Rural Sciences at Aberystwyth University. The result is the new Institute of Biological, Environmental and Rural Sciences which has more than 300 staff and

1,000 students. Its launch was accompanied by an award of £23.5 million from the Assembly Government and the Higher Education Funding Council for Wales, part of a £55 million investment programme over five years. The new Institute's research agenda is addressing challenges such as climate change, food and fuel security, and animal and plant diseases. Current initiatives include:

- The Aeras Global TB Foundation, part of the new Institute, which has licensed ground-breaking research to a non-profit product development partnership working to develop new, more effective vaccines against Tuberculosis.
- The use of ryegrass – than can be grown on ground unsuitable for other crops – to produce cellulosic ethanol as a cost-effective alternative fuel to petrochemicals.

Meanwhile, the Welsh Assembly Government is providing £5.1 million for a new Low Carbon Research Institute at

Cardiff University to co-ordinate research on clean energy technologies and how they can be put into practice. Led by the Welsh School of Architecture, other partners are Cardiff's School of Engineering, Bangor University's School of Chemistry, Swansea University's School of Engineering, and Glamorgan University's Sustainable Environment Research Centre. The Institute, which is providing independent advice to the Welsh Assembly Government on the delivery of its energy policy, is focusing on four main themes:

- Low carbon energy generation, storage and distribution, including large-scale offshore wind and tidal power generation, biomass micro-generation sites, better harnessing of solar energy through more efficient photovoltaic electricity technology, use of fuel cell and hydrogen technologies in generation and transport, and more sustainable coal and gas-powered energy.
- Energy demand reduction which involves research into greater energy efficiency in buildings.
- An Energy Graduate School collaborating with industry to produce a skilled workforce familiar with sustainability issues.
- Partnerships with industry, research organisations and the Assembly Government aimed at creating new energy industries.

Also at Cardiff University the Engineering Physical Sciences Research Council has awarded £3.8 million to establish an international research centre for Integrated Renewable Energy Generation and Supply within the School of Engineering. This initiative will concentrate on developing research capacity in integrated renewable energy generation, including 'Smart Grids' of the future (intelligent power grids), and contributing towards meeting the UK medium-term renewable energy targets.

While these initiatives are admirable in their own right and a clear set of sector priorities are being established, what is emerging is more of an economic development than a science policy for Wales. As Welsh Fellow of the Royal Society, Sir John Cadogan, former head of the UK



Artist's impression of the 400 metre, 66-floor Lighthouse Tower approved for construction in Dubai, United Arab Emirates. Designed by the Welsh School of Architecture and partners within the new Welsh Low Carbon Research Institute, it aims to achieve a major reduction in energy use compared with a standard high-rise building. There will be three large 225 kW wind turbines, 29 meters in diameter, on the building's south facing side to generate electricity. It will also be clad in 4,000 solar panels to generate additional electricity. The tower will also reduce its overall energy consumption by 65 per cent, and its water consumption by 40 per cent in comparison with an equivalent building.

Science Research Councils, declared, writing in the Spring 2006 issue of Agenda:

*“Health and low carbon energy systems are vitally important, but a catalogue of mainly small businesses or university groups active in these areas is not a Science Policy. This must be about how the Assembly Government will generate lots of world class new science and engineering in the Universities in the almost complete absence of UK government funded research institutes in Wales.”*

The key challenge for the Assembly Government remains channelling extra resources into the Higher Education Funding Council for Wales. At present its budget of around £450 million a year represents a £70 million funding gap with the rest of the UK, a gap that has been growing by around 50 per cent a year since 2003. In the Spring 2008 issue of Agenda the outgoing chairman of the Council, Professor Roger Williams, warned that Wales had just two years to make up the shortfall or face falling irrevocably behind England and Scotland in scientific research:

*“This is not an insurmountable problem for the Welsh Assembly Government. 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.”*

And as Sir John Cadogan put it:

*“Without a strong Science and Engineering base, real economic progress, far from being achieved, will go into reverse. This is because (i) new technologically based business will not start up; and (ii) established high tech business will see no point in being located in a Wales far from the scientific and engineering nourishment provided by universities elsewhere.”*

• **John Osmond** is Director of the Institute of Welsh Affairs.



# creatures great and small

**penri james**  
**makes the case**  
**for a Welsh**  
**veterinary school**  
**at Aberystwyth**

**t**here are three arguments for creating a Welsh Veterinary School: growing demands from pet owners and the agricultural industry, increasing government regulation of animal industries, and the fact that only one new veterinary school has been opened in the UK in the past 50 years, at Nottingham (see panel overleaf).

In the Royal College of Veterinary Surgeons 2007 annual report there are 22,162 registered vets with 16,162 having a recognised UK qualification. However, only 42 per cent of the 1,342 vets registered during 2006-07 obtained a UK qualification. The remainder had overseas qualifications, mainly from Australia, Spain and Poland.

The Department of Environment, Food and Rural Affairs estimates that there are over 21 million pets in the UK which require care on a regular basis. Latest 2008 statistics show that UK livestock producers keep 33.9 million sheep, the largest flock in the EU, 10.3 million cattle, the third largest in the EU, and 4.8 million pigs. Pig herds carry a higher veterinary burden due to their susceptibility to virus and their epidemiological role as virus multipliers particularly with Foot and Mouth disease.

Livestock play an important role in the agriculture of Wales, with 71 per cent of gross agricultural output dependent of livestock production. Even if livestock numbers are decreasing in line with changes in the Common Agricultural Policy, there are core veterinary practices which have to



# become a fellow and support our work

  
"I appreciate the immense contribution that the Institute has made and is making to the life of Wales. We would be much poorer without it."  
IWA Fellow, Labour Peer Lord Gwilym Prys Davies

  
"The IWA fulfils a vital role in Welsh civic society. If it were not there it would have to be invented."  
IWA Fellow, Rt. Hon. Dafydd Wigley Honorary President, Plaid Cymru

  
"I am an admirer of the quality of the work produced by the IWA. Its research and publications are of inestimable value to Wales and its people."  
IWA Fellow, Liberal Democrat Peer, Lord Livesey of Talgarth

  
"As someone who has been involved all of my professional career in think-tanks, research bodies and policy units, I would like to pay tribute to the way in which the IWA has clearly established itself as a leading forum for debate in Welsh political life."  
IWA Fellow, Conservative Peer Lord Griffiths of Fforestfach

Fellows of the IWA are able, if they so wish, to become involved in shaping the work programmes of the IWA. In addition Fellows will:

- Receive special recognition in the IWA's regular journal Agenda (unless they have chosen to give their support anonymously).
- Be invited to special Fellows events each year.
- Have access to the IWA for policy advice and briefing.

We ask that Fellows subscribe a minimum annual payment of £200 to the Fellows Fund. Life fellowship will be bestowed for a single payment of £1,000. These donations will qualify under Gift Aid.

I wish to become a Fellow / Life Fellow and enclose a cheque for £200 / £1000.

I wish to become a Fellow / Life Fellow and pay by credit/debit card the sum of £\_\_\_\_\_.  
Account Number \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Expiry date \_\_/\_\_/\_\_

Account Number \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Expiry date \_\_/\_\_/\_\_

Expiry date \_\_/\_\_/\_\_

I wish to pay by Direct Debit (This will help us keep our costs down) Please send me a Direct Debit application form.

Please send me more information about becoming an IWA Fellow.

please cut along here ✂

Name \_\_\_\_\_ Title \_\_\_\_\_  
Address \_\_\_\_\_  
Post Code \_\_\_\_\_  
Telephone \_\_\_\_\_ Facsimile \_\_\_\_\_  
E-mail \_\_\_\_\_

Return to: Freepost RLTT-RBYS-JUUX  
Institute of Welsh Affairs  
1 Radnor Court 256 Cowbridge Road East Cardiff CF5 1GZ

be undertaken irrespective of whether there are 10 or 1,000 animals in an enterprise. In addition, Single Payment qualifying criteria specify a minimum level of animal care and welfare. Supermarket chains only purchase meat from suppliers adhering to welfare and other criteria set by Assured British Meat. Much of the Single Payment cross compliance and assurance work cannot take place without veterinary input.

Alongside this government is constantly increasing its veterinary surveillance and regulation, not least because of outbreaks of Bluetongue, Bird Flu, Foot and Mouth, and increasingly Tuberculosis. Faced with these demands the 856 government vets are under severe pressure.

In his 2005 *Gateways to the Professions* report, Sir Alan Langlands, Vice Chancellor of the University of Dundee, identified four key issues for the veterinary industry:

- Students entering veterinary school after obtaining a previous degree receive no additional grants.
- There are far more women than men training to be vets.
- The impact of increased tuition fees on applications for veterinary degrees coupled with the high level of debt affecting vets entering less well paid specialities such as farm animal practice and veterinary research.
- The entry of many new vets into small animal practice, leading to a loss of large and farm animal veterinary skills.

Some of these issues can be addressed by government modifying the financial rules. In the Welsh context, for instance, the Welsh Assembly Government has been ingenious in reducing fees. However, many of these concerns need to be met by establishing a new veterinary school aimed at undergraduates primarily interested in large animal care.

In evidence to the Environment, Food and Rural Affairs Select Committee in 2003, the Royal Veterinary College expected there to be 700 veterinary graduates per year by 2008 and that within five to ten years

there would be a surplus. However, its 2007 annual report recorded 569 UK graduates, a figure that had been relatively static for the previous three years, an annual increase of around 80 on the three years before that. So the targets set by the College have not been achieved, and there will certainly not be the surplus it predicted. At the same time The Langlands report showed that veterinary medicine attracts substantial numbers of high quality applicants which far exceed the number of places



available. The conclusion must be that there is a lack of training capacity rather than qualified candidates.

A recurring theme in analyses of the veterinary service, especially by the NFU and FUW, is the lack of large animal farm livestock vets. Animal charities and benefactors concentrate financial donations on companion animal and equine care rather than farm livestock. Moreover, television programmes such as the *Herriot All creatures great and small* series have a role in promoting small animal care.

It is worth dwelling on the 'Herriot factor' for a moment. During the 1970s and 1980s the rapid increase in demand for places at vet schools may have masked an underlying scarcity of



suitable candidates willing to undertake large animal work. In the short term, insufficiencies are addressed by overseas students. However, in the medium to long term the Royal College needs a strategy to deal with manpower shortages in an important sector of the food producing economy. Setting high animal welfare standards cannot be achieved without practitioners to monitor them.

The trend toward small animal care provides a dilemma for vet schools in finding practices capable of

addressed this need by forming a partnership with Coleg Sir Gâr and Aberystwyth University in creating the Welsh Regional Veterinary Centre to enhance large animal experience. A further step would be the creation of a veterinary school.

Agricultural and rural decision making in Wales is already gravitating towards Aberystwyth with the Forestry Commission, FUW, Hybu Cig Cymru all having headquarters there. Moreover, the Welsh Assembly Government Agriculture

Research with the Institute of Biological Sciences. This is providing a focus for research in the key sustainability priority areas established by government: climate change, food, water and energy security. These activities would be complemented by developing a permanent veterinary training presence in Aberystwyth.

The key players, including the Royal Veterinary College, the British Veterinary Association, and the Assembly Government have to be persuaded of the merits of a vet school for Wales. The latest Royal College Strategy Plan has no reference to developing training by establishing more schools. Instead it alludes to 'building from within' existing institutions. This is a conservative approach and the College needs to be persuaded to take a more radical stance. Here there are key roles for the Royal College's Education Policy and Specialisation Committee and also for the Chairman of its Public Affairs Committee, Martyn Jones, MP for Clwyd South.

In the first instance Aberystwyth University should draw up a coherent plan on how to establish, fund and operate a vet school. The National Assembly Committees on Education and Rural Affairs should also investigate the case and build up a head of steam. The Welsh Assembly Government needs to decide whether a vet school fits into its development strategy for higher education in Wales. Of course, funding will be a major issue but there is a strong case and it should be articulated.



giving adequate large animal training for graduates. Reduced exposure to large animals during training also reduces the likelihood of graduates entering and remaining in a large or mixed animal practices. The Royal Veterinary College has partially

and Fisheries departments will migrate from Cardiff to Aberystwyth during 2009. Another highly relevant development has been the creation of the Institute of Biological, Environmental and Rural Sciences in 2008, through the merger of the Institute of Grassland and Environmental

Veterinary Schools in UK and Ireland – year established	
Royal Veterinary College, London	1791
The Royal (Dick) School of Veterinary Studies, Edinburgh University	1823
Glasgow University	1862
Liverpool University	1904
University College Dublin	1946
Bristol University	1948
Cambridge University	1949
Nottingham University	2006

• *Penri James lectures in farm management at the Institute of Biological, Environmental and Rural Sciences, Aberystwyth University.*

# genetic doublethink



## dafydd huws argues that a sustainable Welsh agriculture cannot afford to be without GM technology

**46** **t**he real GM scandal is that whereas Wales is at the forefront of biotechnology research and development including genetic modification, hostility to GM is blocking our benefiting from this research. The Institute of Biological, Environmental and Rural Sciences (formerly IGER) at Aberystwyth is doing world-leading cutting edge research, yet is prevented by the present climate and lack of support

from translating the wealth of research information it has on GM into practical plant-breeding outcomes. This is a sad indication of Wales' prospects for a flourishing economy based on cutting edge science-based industries.

Despite being world leaders in basic plant research we are contenders for the Canute prize for progress in bringing GM biotechnology to market. The same applies to Cardiff University with regard to biomedical technology although GM approaches appear to be somewhat more publicly acceptable in this area.

When even the farming unions and landowner representatives are ambivalent about embracing GM technologies, and we continue to subsidise the flawed concept of organic farming as the answer to mainstream agriculture, GM is indeed the technology that cannot speak its name. Wales appears to have a virulent strain of the virus afflicting the UK and many

European countries. This is the one that eschews science and science-based progress, especially in the fields of agriculture and medicine, in favour of totally untested alternatives. It is a strange doublethink, in which science-based and evidence-based progress is refused on ideological grounds, while potentially dangerous and often untried and useless remedies are accepted without question.

It would be amusing if it weren't so serious. The ideological and even superstitious opposition to GM is moving from the wrong headed to the downright immoral. It cannot be tolerable for European middle-class fads and superstitions to preclude sharing the benefits of scientific technological advance with the third world and its starving populations.

Far from precluding it, it is this technology among others, which can, for example, offer the possibility of raising drought resistant crops in desert conditions, salt resistant crops in the

Formerly the IGER plant breeding station but now part of Aberystwyth University's newly created Institute of Biological, Environmental and Rural Sciences. Its activities are constrained by restrictions on GM trials in the UK.

massive hectareage of the world's salty lands, or produce seed varieties which will make food crops more productive, more disease resistant and less reliant on fertiliser and pesticides. That is what will really offer the best chance of ensuring security of food supply. Added to this there is a whole range of medical benefits such as the incorporation of vitamin A into 'golden rice' which has a massive potential to save lives and avoid hundreds of thousands of cases of blindness across the developing world.

While the debate is dominated by negative voices demanding a 'GM free Wales', as also happens in the field of energy, from nuclear to wind power, we will also be heading inevitably to a 'wealth free Wales'. Meanwhile, we have world-class establishments in Wales, which are constrained in making an unfettered contribution across the whole range of technologies that include GM.

Throughout history farmers have sought to improve yields by cross-breeding plants with desirable characteristics. However, cross-breeding can be a lottery with consequences that may not be easily predicted. One method of breeding to obtain improved crops was to bombard seeds and plants with gamma-rays to cause mutations. This is by nature a very untargeted approach which, in their desire to avoid 'artificial' chemicals, organic farmers appear willing to accept. In fact they are just as, if not more, reliant as conventional farmers on crop varieties that were generated in this way. GM is an additional tool for plant breeding which provides a much more targeted approach. It is inherently no more 'dangerous' and in fact may well be safer than some older traditional methods.

The International Service for the Acquisition of Agribiotech Applications is a not-for-profit organisation, which aims to deliver the benefits of new agricultural biotechnologies to the poor in developing countries. According to its research, the rate at which the rest of the world is forging ahead without us is stunning. In 2007 the biotech crop area

grew 12 per cent from 12.3 million hectares to reach 114.4 million hectares. This was further augmented by farmers adopting varieties with more than one biotech trait. These 'trait hectares' grew by 22 per cent. New crops are being added to the list such as insect-resistant poplar trees planted in China to aid reforestation efforts.

Even more impressive is that of the 12 million farmers enjoying the advantages of the improved technology, nine out of ten were resource-poor farmers. In fact, the twelve developing countries planting biotech crops surpassed the eleven industrialised countries, with a growth rate in the developing world three times that of industrialised countries.

Studies in India and China show that biotech cotton has increased yields by between 10 and 50 per cent, with a 50 per cent reduction in insecticide use. Moreover nine out of ten of these farmers replanted biotech cotton year on year. Australia, which is in the frontline of climate change induced drought, is field-testing drought tolerant wheat.

Strict regulation of GM is of course necessary but it has hitherto been far too onerous and expensive even without the ideological resistance. The process rather than the product has been subject to testing. However, it is now possible to design regulatory systems that are rigorous without being overly onerous, with the result that more developing countries are likely to approve the technology. Regulation of the product not the process will accelerate the rate at which GM products will be approved. Tragically millions have been deprived of the benefit of major advances by the delay in approving crops such as 'golden rice' where it seems the demands of the regulatory systems have often been the end and not the means.

Viewed against the burgeoning population in the third world and a shrinking and impoverished land resource, the organic movement should be recognised for what it is, as only being able to sustain a niche market. The

organic movement has played a big part in sustaining the ideological opposition to GM. Having failed to demonstrate any danger whatsoever to human health, it now rests its case on the concept of purity. Organic food has to be free of so-called GM 'contamination'.

Supermarkets display signs claiming that produce is GM free, implying a danger that doesn't exist. Anyone with a superficial knowledge of world agriculture and food production will realise that this, too, is a battle that is already lost. We are all unwittingly or wittingly ingesting or otherwise benefiting from genetically modified products, whether they are food or medicines. Instead of promoting organic farming the Welsh government should be promoting science-based sustainable agriculture.

But surely, it will be argued, organic and sustainable agriculture are the same thing? Not at all. Whereas organic agriculture does promote sustainability, and in that sense there is much to applaud it, it is prevented by ideology verging on superstition from adopting technologies and practices which will make a truly significant difference to sustainable agriculture on the planet. When the Soil Association, the guardian of the organic movement, is asked why it doesn't consider GM as a valuable adjunct to organic farming, the shutters come down, apparently because of an ideological refusal to consider the matter.

In any case, organic farming is based on the manifestly false principle that 'artificial' chemicals are bad, and 'natural' chemicals are good, as if plants could tell and were interested in the difference. The one justification for organic agriculture in its present form is its ability to command a premium in the market, which outweighs the increased cost of production, and the more extensive use of land, which is usually synonymous with greater inefficiency. Although the recession will ensure a temporary fall, the burgeoning price of diesel fuel does not augur well for systems dependent on high levels of tillage.

The era of cheap food is over, and it is questionable whether the middle class will continue to indulge its taste for organic food. Already the numbers of BMWs parked in cut-price supermarkets like Lidl's might be a harbinger of that. The environmentalist James Lovelock has estimated that if all farming became organic, we would only be able to feed one third of even the present world population. Without a science-based increase in yields from the world's existing agricultural land, food production will inevitably spread more rapidly to environmentally fragile land, rainforests and wildlife conservation areas.

It is inevitable that GM crops will be accepted worldwide, even in Europe. But in causing the delay in their adoption the anti GM lobbies have exacted a heavy price. Their opposition has undermined agro-business in Europe and has driven much research into plant biotechnology abroad. Yet this is an area in which Wales has the potential to maintain a world-leading role.

In contrast with the situation in Wales, China is planning a 3.5 billion dollar GM crops initiative over 13 years. In contrast with the organic diversion we are pursuing, China is set to move from high input and extensive cultivation to high-tech and intensive cultivation. Yet China has moved very cautiously in adopting GM crops. Of six approved plant species, only insect-resistant cotton is now planted widely. Since its introduction into commerce in 1997, 64 varieties of pest resistant cotton are now grown on 70 per cent of the area of the cotton growing area, averting the use of a stunning 650,000 tonnes of pesticides. This is in contrast with the UK where a rare attempt to field trial potatoes was trashed by opponents.

What would a sustainable agriculture industry in Wales look like? Since the dramatic rise in the cost of fuel, fertiliser and feedstuffs, the recent increase in agriculture prices have been more than wiped out. Consequently, sustainability is largely synonymous with low input agriculture, particularly in a predominantly stock rearing and dairying country like Wales.



A whole range of technologies is necessary to achieve the degree of sustainability that will make a difference to the prosperity and profitability of Welsh agriculture. These include traditional plant breeding, experimentation with new varieties for their persistence and productivity in Welsh conditions, and, of course, GM. A sustainable agriculture in Wales cannot afford to be without access to this technology.

We seem to be locked into the mind-set from the early decades of the Common Agricultural Policy, when we believed surpluses were synonymous with too much land too intensively farmed. As a result we came up with the crazy idea of 'set aside'. We continue to promote extensification and taking land out of production and practices that would make any third world farmer weep, such as returning drained productive agricultural land to bog and marsh, in the name of a short sighted and often spurious environmentalism.

The situation facing Welsh farmers is dire. We are now witnessing the hitherto inconceivable, namely the importing of liquid milk from Northern Ireland, Holland and Belgium, because UK dairy farmers' margins over input costs make it impossible for them to stay in business. The loss of dairy farms from Wales, by far the best form of agriculture to provide a decent living on limited acreage, has been damaging to rural communities. Meanwhile farmers are lured by the fool's gold of organic farming,

Plot scale evaluation of crop performance at IBERS - red clover, lupins, spring barley and perennial ryegrass are grown under different nutrient input regimes. All are bred using conventional techniques. Currently the scientists are unable to experiment with genetic modification because of the anti lobby.

which may well give them a temporary respite, but the decreased production and the extensification involved will mean the benefits won't last long.

Farmers, often at the wealthier end of the scale who can afford the organic luxury, make up for loss of production by taking over other farms, thus depriving yet another family of a living. With the ever-increasing proportion of US and South American grain production being GM, European farmers will face huge economic difficulties if the zero tolerance in Europe of GM content in their feedstuffs persists.

It remains true that the family farm is the future of Welsh agriculture and will determine the sustainability of our rural communities. However, it will only be saved by low input, high margin agriculture that derives from science-based practices across the board including GM. This means improving:

- The way we manage our soils, our forages, and our home grown feedstuffs.
- The productivity, efficiency and longevity of our livestock.
- The ability of livestock to thrive outdoors on natural poor quality grazing, and a developed innovative range of forages matched to the changing climatic conditions.
- Marketing and adding value, making Welsh agriculture more qualitative in its output rather than being a quantitative source of primary production.

On a global scale, tackling the food crisis facing the world must be led by science rather than superstition. It requires the urgent deployment of all science-based technologies to meet the yawning need. Of course, GM is not a magic bullet. However, it is part of a range of solutions that we cannot afford to do without.

• *Dr Dafydd Huws is a retired NHS consultant, a renewable wind and wave energy developer, and has operated a beef and sheep enterprise in Ceredigion since 1965.*

# wicked issues

steve martin  
reflects on progress  
since publication  
of the Beecham  
review in July 2006

Sir Jeremy Beecham, former leader of Newcastle City Council and former Chairman of the Local Government Association of England.



The Beecham Review received a warm reception from right across the political spectrum. But two years on what has actually been achieved? What are the prospects now for the ambitious vision for Welsh public services outlined by Sir Jeremy and his colleagues?

Beecham didn't pull any punches about the challenges facing our public services. He endorsed the principles which underpin the Assembly Government's 'Making the Connections' strategy, but argued that they needed to be pushed a lot further. The quality of services was, the review team concluded, too patchy. And service providers had to become more efficient so that the 'Welsh pound' went further. We needed better comparative and longitudinal performance data and more powerful incentives to secure improvement. Governance arrangements were too complicated. Service providers had to juggle conflicting planning cycles, performance frameworks and funding regimes.

Moreover, a lack of joined up targets, timetables and inspection was getting in the way of local partnership working. The Assembly Government was too wedded to top down command and control which bred a culture of compliance at local level. Ministers and civil servants needed to pay more attention to delivery processes and councils had to become more pro-active. Rather than waiting to be told, they needed to find new ways of working together in order to make the most of thinly spread managerial capacity and other scarce resources. The public had to be able to hold service providers to account. Local and central government needed to gather intelligence about what citizens really want from and think about services. We needed a clearer strategy for promoting informed public debate about how to tackle the really contentious

issues like school reorganisation and surplus hospital beds.

Nevertheless, Beecham was optimistic that public services could rise to these challenges. According to the review team, Wales could and should aspire to be an exemplar of "small country governance". So were they right? What progress has been made? Are there reasons still to be cheerful about future provision?

Two years on the 'Beecham principles' continue to generate a great deal of discussion. 'Beecham' is now firmly established in the lexicon of Welsh public services. Enter 'Wales + Beecham' into a search engine and you will turn up dozens of references to the review (interspersed with sites dedicated to the pharmaceutical giant GlaxoSmithKline and to Sir Jeremy's namesake Thomas, the renowned early twentieth century conductor). And it seems that Beecham's assessment of the state of services continues to ring true for most people.

There are also some signs of real progress. Probably the most visible has been the creation of Local Service Boards. Although Beecham did not refer to these by name, he did argue for "greater partnership working between councils, local health boards, the police and fire services" and non-devolved services such as the Pensions Service and Jobcentre Plus. He pointed to Public Services Boards in England as a model which Wales might want to have a look at and perhaps learn from.

The Assembly Government took up this recommendation with alacrity. Its formal response to Beecham pledged action to bring together the providers of devolved and non-devolved services in order to improve delivery in areas such as health and social care, services for vulnerable children and others where good outcomes depend on joined-up action. Within a matter of weeks it issued

## social policy

a general invitation to bid to become Local Service Board pilots. Most councils and their local partners responded positively and six were selected. One year on a second phase is underway and there are signs of increasing enthusiasm for the Service Board model even among those who were initially sceptical.

For the most part, joint working between local government, health, the police and other partners seems to be developing well and there is evidence of progress in tackling some of the most difficult 'wicked issues'. It hasn't all been plain sailing. There are areas with a legacy of difficult inter-organisational or interpersonal relationships where progress has been slow and it will take time for local partners to trust each other.



*'Beecham's recommendations reflect a recognition that in the real world people aren't willing to travel any significant distance to access health care.'*

Ministers will probably need to be patient with the Local Service Boards. It is also said that some partnerships are not yet clear about the role of voluntary sector. Should voluntary organisations expect to be treated as service deliverers operating on a par with statutory agencies? Or are they better off keeping their distance in order to safeguard their independent advocacy role?

More fundamentally, there has been some confusion about what Local Service Boards are actually for. The whole concept has proved quite difficult for some who have only ever worked within the traditional service-based 'silos'. Precisely because they are designed to address the 'wicked issues', Local Service Boards tend to cut across

functionally organised departments, and this has left some ministers wondering how boards relate to their portfolios. Put bluntly, they haven't been sure what Local Service Boards can 'do for them'.

This highlights one of the dangers of the Boards, namely that they risk being seen simply as delivery agents for Assembly Government policies and priorities. The appointment of senior civil servants to liaise with them might have confirmed this perception. However, in practice it has been an inspired move, providing officials with opportunities to see what is actually happening 'on the ground' and enabling local agencies to flag up national policies and practices which make their lives unnecessarily complicated.

Another danger is that Local Service Boards are seen as the 'only show in town'. In practice most issues can in fact be dealt with by single organisations or by joint working between two or three agencies. They don't need Local Service Boards piling in. The new boards should not replace, displace or duplicate existing arrangements. Rather, they need to focus on a relatively small number of issues that really do require joined up working. Perhaps for this reason, Beecham endorsed a number of other mechanisms for improving services.

Contrary to popular belief, the Beecham recipe for success included structural change. True, the review ruled out wholesale local government reorganisation as an answer. Previous attempts to impose structural change 'top down' have often caused more disruption, been more expensive and yielded fewer efficiency gains than expected. But Beecham was careful to emphasise that "This does not mean that there should be no change in current structures". In particular "consensual mergers of two or more organisations, within or across sectors" could provide an important means of increasing capacity and improving services.

The review team turned their backs on consumer driven competition between providers as a way of improving public services in Wales, calling instead for

collaboration. Schools and colleges should stop competing for students and instead work together in order to ensure that they can provide a full post-16 curriculum. Councils needed to co-operate to build joint waste management facilities and so forth. This rejection of competition wasn't Welsh perfidy; it is underpinned by sound intellectual arguments.

Markets can only work as an efficient means of delivering public services if users can access and choose to act upon accurate information about their own needs, the cost of services, the quality of alternative providers, the size of the available budgets and the opportunity costs of different forms of provision. As Sir Adrian Webb, a member of the Beecham review team, has argued, in practice none of these conditions apply (see his Centre for Leadership publication, *Further education: leadership amid complexity*). And even if they did, competition would still tend to penalise less well informed users who would be stuck with 'sink' schools and hospitals from which better informed (and probably more affluent) users had fled.

Moreover, competition is likely to erode the public service ethos and shared sense of commitment to public services in Wales. And it only drives efficiency if there is excess production and the political will to close down providers who fail to attract sufficient users. Beecham's recommendations reflect a recognition that in the real world people aren't willing to travel any significant distance to access primary education or health care. In practice, too, low population densities across much of the country make it very difficult to sustain the multiplicity of providers that would be needed to give users a genuine choice. Moreover, the strength of local opposition to school reorganisation and hospital closures demonstrates just how difficult life would be for politicians who let the least successful providers go to the wall, as the market model requires.

In place of market-based competition Beecham suggested several possible models of collaboration including:

Campaigners against hospital reconfiguration gather on the steps of the Senedd ahead of the May 2007 election: ‘...the strength of local opposition to hospital closures demonstrates just how difficult life would be for politicians who let the least successful providers go to the wall, as the market model requires.’



- Joint appointments, pooling budgets and the creation of joint operational vehicles such as care trusts.
- Development of joint provision of corporate support services, through shared services models and/or lead provider models where one council provides a service on behalf of others.
- Joint provision of specialist analytical and challenge capacity, such as support for scrutiny and analysis and commissioning of services.

The report also recommended the development of “stronger, managed networks of professionals and administrators to pool skills and expertise across organisations”. The good news is that in the wake of the Beecham report there has been a lot more talk about these forms of partnership working than ever before. The bad news is that on the whole progress in implementing them has been slow.

Some authorities have actively considered joint appointments but found it difficult to see what is really in it for them. Though probably a good thing for Wales as a whole, the savings to individual authorities from shared appointments are relatively small and may not be enough to persuade them to take the risk that services could suffer under the leadership of a director with divided loyalties. And thus far the Welsh Assembly Government has done very much to create conditions in which the balance of risk and reward are tilted decisively in favour of taking the plunge.

Similarly, there has been only slow progress in creating large shared services projects. Voluntary collaboration between local authorities is nothing new. A recent Welsh Local Government Association publication, *Working Together: case studies in Welsh local government*, lists a host of ways in which councils have been working together to deliver social care,

health improvement, transport projects and a wide range of other services, both before and since Beecham. And there are some services, such as waste management, where there is a widespread assumption that collaboration at regional level is the only sensible way forward.

However, progress on some other fronts has been painfully slow. According to the WLGA, the four regional boards, which comprise local authority leaders and chief executives supported by WLGA funded ‘regional co-ordinators’, have laid important foundations for collaboration. However, none of them has delivered a really high profile, ‘star project’. This lack of really ‘big wins’ is understandable. Partnership is hard work. It is difficult to create win-win situations. And collaboration requires different attitudes, different ways of working and different kinds of leadership skills to those needed to run

successful stand alone organisations. Though they would probably deny it in public, it would not be surprising if some senior managers see the collaborative agenda as a much more difficult route to have to go down than a future round of local government reorganisation (which is widely assumed to be the fall back if partnership working fails to take off).

The failure to clinch the really big deals in areas such as revenues and benefits, HR and payrolls seems to have been the result of a combination of self preservation instincts, risk aversion and perhaps a lack of imagination. Ministers have responded by proposing to grant themselves new powers to force the pace of change by directing authorities to collaborate. But whether 'top down' tactics of this sort will have the intended affect remains to be seen.

Some observers speculate that the colder financial climate may create a greater appetite for joint working as authorities are forced to seek further efficiency savings. The problem is that in the short term it is often easier to cut services than to cut out wasteful duplication between councils. Under pressure to make savings, authorities may simply baton down the hatches and redesign their own services in isolation, rather looking outwards to find better ways of working with others. Many local authority leaders point to what they see as a lack of any real incentive to achieve greater efficiency. What, they ask, is the point of them working hard to make savings when they suspect that the Assembly Government will use the money which this frees up to bail out NHS trusts which have run up deficits?

The other key 'Beecham' theme was, of course, the importance of involving citizens in the design, delivery and monitoring of services. The review concluded that "The development of the relationship between citizens and public services must be pursued effectively and urgently" and "mechanisms for informing and engaging the public need to be transformed". In its response the Assembly Government set out four priorities:

- "A revolution in how people are able to contact services, in the quality of customer care, in the responsiveness they experience, and in their access to redress when things go wrong".
- Plans for measuring and reporting citizen satisfaction.
- Action to give the public a greater role in the delivery of services.
- Initiatives designed to give communities a 'stronger voice'.

Much of this is common sense. But, as governments around the world have found, some of it is very difficult to achieve. There has undoubtedly been significant improvement in recent years, both before and since Beecham. Many authorities have introduced customer contact centres and other ways of improving access to services. Better data about public satisfaction are being collected. Proposals to establish national minimum service standards have been developed, though they have not yet been fully implemented. Citizen engagement pilots and a host of other initiatives are also being developed.

The difficulty for the Assembly Government is that there is a limit to what it can do. Most of the action needs to be locally based and cannot be orchestrated from the centre. Councils, GPs, the police and other service providers are closer to the citizen and they need to find ways of engaging with their service users which make sense locally.

As with the rest of 'Beecham agenda', success in citizen engagement will therefore depend on action at all levels of government and across many different parts of the Welsh public service. The Assembly Government cannot do it all on its own, nor can local government nor can health or the voluntary and community sectors or town and community councils.

We need a better understanding of which issues are best dealt with at each level and which instruments are the most effective drivers of improvement in different kinds of services and in different contexts. Some issues need to be tackled

locally. Some require action at regional level. Some are best dealt with nationally. Others require combined action at local, regional and national levels.

Similarly, some problems respond well to traditional 'silo' based solutions. Others can only be tackled if a range of local agencies choose to work together. Some problems can be addressed by changes in funding – either in overall budget allocations or in the ways resources are distributed. But others call for different ways of working through the adoption of new techniques and application of new technology. Still others depend on the development of greater organisational and/or inter-organisational capacity through, for example, leadership programmes and workforce development.

There are differences between service areas. Drivers of improvement in waste management are very unlikely to work in education and vice versa. There are also differences between different kinds of performers. Failing services almost certainly require very different forms of support, intervention and performance management than excellent ones.

So there are no simple, one size fits all, solutions. The key to future success will be an appreciation of the pros and cons of different modes of governance and different approaches to service delivery. We need to develop governance systems and mindsets which are sufficiently sophisticated and flexible to deploy different approaches in different contexts.

• **Steve Martin** is Professor of Public Policy and Management at Cardiff Business School. He was the Academic Adviser to the Beecham review.

## adrian roper calls for courageous action to tackle bed blocking in our hospitals

# vicious circle

Health services receive the biggest percentage of the Welsh Government's budget, and year after year public officials report that it is not being spent efficiently. The main story is of the money being wasted on high cost acute services where patients are forced to languish in hospital because of the lack of low cost services to support their prompt return home. It has been dubbed a vicious circle where more and more money goes into the hospitals to pay for the 'blocked beds' whilst community care services remain cash starved.

The answer should be obvious, but the money never moves. Every year a new report calls for greater collaboration between the NHS and social care agencies in order to achieve synergy and seamless services. But the money never moves.

Social care is publicly funded services intended to maintain vulnerable children, adults and family care-givers, in reasonable health and dignity within their own home, or some other homely setting in the local community. For

adults, it is often closely linked to housing services. The children involved are typically at risk of neglect or abuse. The adults have assessed support needs relating to one or more of the following:

- Old age
- Learning disabilities
- Physical disabilities
- Sensory disabilities
- Mental health problems
- Alcohol and drug misuse
- HIV/AIDS
- Terminal illness.

Social care may be a short term or permanent arrangement. It may be a grant for some equipment to help you get upstairs, or involve staff paid to support you. The staff are generic rather than specialist. Through experience and on-the-job training, they are able to help people manage all sorts of issues: epilepsy, dementia, diet, diabetes, depression, benefits and bills, autism, medication, isolation, incontinence, neighbourhood harassment, mental incapacity, living skills



*'Whatever ordinary or special needs people might find themselves facing, social care staff are out there dealing with them.'*

**figure 1: transforming health and social care in Wales – all talk, no action?**

- **2003 Wanless Review of Health and Social Care in Wales:**  
Called for “a radical redesign for health and social care services” and highlighted “the need to develop capacity outside acute hospital settings”. The agenda was “Prevention, Optimising Service Delivery, Involving People, Performance and Accountability”.
- **2004 Audit Commission report:**  
*Transforming health and social care in Wales: aligning the levers of change:* Stated: “The whole-system of health and social care is not organised to best effect... Making it effective is not just about better management, or better staff and equipment. It is also about the way in which services are organised with and between primary and secondary care and between health and social care services...”
- **2005 Welsh Government report**  
*Designed for Life: a ten year Strategy for the NHS:* Called for action to “develop the role of local communities in creating and sustaining health, promote independence (and) re-cast the role of all elements of health and social care so that the citizen will be seen and treated by high quality staff at home or locally”.
- **2006 Beecham Review of local service delivery and its government response Making the Connections:**  
*Delivering Beyond Boundaries:* Described how public services in Wales needed to: “put citizens first, foster effective collaboration across the boundaries of organizations (and) get better value for money for the investment in services”.
- **2007 Welsh Government Social Services Strategy,**  
*Fulfilled Lives, Supportive Communities:* Called for the development of a pattern of services whereby “disabled people will receive quickly the help and equipment they need to lead fuller lives; older people affected by illness and impairments will be supported at home with the need for admission to hospitals or residential care greatly reduced; (and) carers’ needs will be recognised and supported.”

deficits, low self esteem, and so on. Whatever ordinary or special needs people might find themselves facing, social care staff are out there dealing with them.

According to the Assembly Government website, around 100,000 adults are supported by social care services. But these directly supported people are only the tip of the iceberg. Families and informal carers provide about 70 – 80 per cent of all the care provided in Wales and supporting them to continue in their caring role is a major responsibility for social services. Statutory responsibility for the provision of social care lies with local authorities. But the amount of funding that authorities can deploy is significantly dependent on the level of revenue grant provided to them by the Government. The 2008–09 Welsh budget for

social services is £110 million. It is decidedly not a large sum for assuring the basic health and dignity of hundreds of thousands of people suffering from pain, confusion, despair, or chronic social exclusion.

In contrast, the Welsh NHS received £4,577,900,000 in 2006–07. That is about 42 times more than social services. Of course, social care is not a universal service, nor is it as widespread in its interests as the NHS. However, the comparison between funding levels needs to be made in order to bring to the surface the current gap between the resources deployed for citizen care in the community and those deployed for patient care in hospitals, surgeries and clinics.

The size of the gap is particularly worth contemplating given that we have

had five years of public reports and policy exhortations seeking to address “unsustainable” costs within the NHS. (See Figure 1). There has been a consistent call for action to develop a range of local services which will promote health, prevent illness, maintain independence, and reduce the level of unnecessary high cost medical care.

In November 2007 we had yet another report, this time from the Wales Audit Office. It was a review of the “delayed discharge” situation in Cardiff, the Vale of Glamorgan, Carmarthenshire and Gwent. Lo and behold, the problem and solution was the same as it was when Derek Wanless reported in 2003. The Audit Office advised the Local Health Boards and local authorities to:

*“...identify clear and costed strategies to enable the transfer of resources from acute to community services to break the ‘vicious circle’ whereby vulnerable people are drawn into inappropriate institutional care...; this may require LHBs and Councils to identify transitional funding to enable new services to be set up before existing models are decommissioned”.*

Sadly, there has been no report in 2008 to suggest any subsequent step-change in this situation. Internal re-organisation grips the NHS with all the inevitable consequences of distraction and paralysis. The Councils face yet more horrendous funding shortfalls. There will be little or no “transitional funding” coming from the counties, and who can blame them? Who, after all, has got any spare money in this situation?

The budget headings in Figure 2 have been ordered so that those items which might particularly arouse the curiosity of the social care sector are at the top. One must start with the £608 million for ‘Unknown Programme Category’. But one also wants to know what £47 million for ‘Social Care’ is doing in the NHS budget. Might not some of the £134 million for ‘Healthy Individuals’ be more effectively and economically used by local generic support agencies? Why is ‘Mental Health’



# putting women in their place

## glass ceiling conference

6 March 2009  
Angel Hotel  
Cardiff

This conference will take a rain check on the opportunities women face in professional life in today's Wales. We pride ourselves on having achieved gender parity in the National Assembly. But female representation was four per cent down at the May 2007 election. Women are well represented in some professions, such as teaching, but woefully small in others such the law.

Within the IWA it is noteworthy that women currently only make up 20 per cent of our membership and 13 per cent of our Fellows.

This 'Glass Ceiling' conference will:

- Bring together women from enterprise and business, community groups, local and national government and trade unions.
- Debate an Equality and Human Rights Commission's report on Gender Parity in Wales being released in February.
- Draw up recommendations to be presented to the National Assembly.

Keynote speakers:

- **Katy Chamberlain**, Chief Executive of Chwarae Teg: *"We need to develop inclusive cultures that encourage women into the boardrooms and senior executive positions."*
- **Karen Robson**, Conservative MEP candidate: *"Research demonstrates that on current trends, it will take another 200 years for gender parity to be achieved in Westminster."*
- **Kirsty Williams**, Liberal Democrat AM: *"The IWA has an important role in tackling the glass ceiling in Welsh public life."*

...Call the IWA on 029 2066 6606 or book on-line [www.iwa.org.uk](http://www.iwa.org.uk) to reserve your places



**figure 2: NHS Wales funding – due for robust challenge?**

	£ Million
Unknown programme category	£608.7
Social care needs	£47.5
Healthy individuals	£134.8
Mental health problem	£546.5
Learning disability problems	£89.9
Neurological system problems	£154.3
Eye/vision problems	£93.9
Hearing problems	£22.8
Musculo skeletal system problems (exc Trauma)	£238.2
Trauma and injuries (inc burns)	£304.6
Circulation problems	£465.4
Maternity and reproductive health	£178.4
Neonates	£37.6
Poisoning	£54.8
Genito Urinary system disorders (exc infertility)	£204.1
Respiratory problems	£301.7
Dental problems	£173.3
Gastro intestinal problems	£269.7
Skin problems	£97.0
Infectious diseases	£64.6
Cancers and tumours	£302.2
Blood disorders	£46.7
Endocrine, nutritional and metabolic problems	£141.2
Total	£4577.9

**Note:** These are 2006-07 figures. The 2008-09 figures will be higher.

such a notorious Cinderella service when it has £546 million in the NHS kitty? And why has the NHS got £89 million for 'learning disability problems' when it is a matter of long-standing public policy that people with learning disabilities are not ill, nor curable, and principally require social supports and valued life opportunities?

In the language of the Wanless Report, how confident can we be that these monies are being used to "optimise service delivery", or that issues of 'performance and accountability' are being properly addressed?

A humble £1 million of extra funding for each Social Services department across Wales would be enough to kick-start a transformation of the delayed discharge problem. An extra £2 million would enable a raft of preventative and proactive service plans to be put in place before people reach crisis point. An extra £3 million would

start to make a politically significant difference to the safety of children and to the isolation and indignity experienced by hundreds of thousands of older people, people with disabilities, and their family care-givers.

So what about a straight transfer of £100 million to the social care sector? It would achieve far more than any number of public service reviews or re-organisations. We have some courageous political leadership in Wales. But have they been somehow steered away from challenging the NHS where it really counts – in the finances?

• **Adrian Roper** is Chief Executive of *Cartrefi Cymru* which supports people with learning disabilities, or other special needs, to continue to live in their own homes and within their local communities.



# light in housing gloom

sue essex reflects on the lessons from her review of affordable housing provision in Wales

It was in the late Autumn of 2007 that I was commissioned by Jocelyn Davies, the Deputy Housing Minister, to carry out a review on affordable housing in Wales. The remit was specifically set in the context of the *One Wales* targets for affordable housing, and the need to take a look in depth at the regulatory regime for housing associations in Wales.

There had been a series of heavyweight reviews and investigations carried out for England in the last couple of years and a major piece of legislation around organisational change for housing in England was going through Parliament at Westminster. However, nothing comparable for Wales had been contemplated.

By Autumn 2007 the 'Credit Crunch' was well underway with the difficulties experienced by Northern Rock. At the same time, there were signs that the inexorable rise in house prices that had made affordability so difficult over the previous decade was a process going into reverse. This would have been good news for all those people who had been out-priced from home ownership were it not for the fact that the 'Credit Crunch' rapidly turned into the 'Credit Crisis'. The very people who had been out-priced from the housing market now faced a credit famine.

The only positive slant to this dire situation was that at last housing, and particularly the availability of affordable housing, was back on the public and, of course, the politicians' agenda. Affordable housing is, and always should have been, a matter of high priority for government. Henceforth, it should not be an issue just for short term attention. One of the key

conclusions of our review, as reported to the Minister in June 2008, was:

*"...to deliver sufficient affordable housing, there needs to be a sustained political, organisational and financial commitment. The market alone will never be the complete answer to affordability. Integrated Government intervention is essential and this intervention must be sustained and contribute to building up a stock of quality affordable housing in communities across Wales".*

The review report was also very strong in stressing that housing must be tackled with the aim of ensuring that wide social, economic and environmental objectives are met. Quite simply, house-building and renovation can support skills development and employment, community cohesion and regeneration, sustainable and mixed communities, health and wellbeing. Moreover, if done thoughtfully it can also make a significant contribution to reducing CO<sub>2</sub> use in the built environment.

Adding these objectives to the *One Wales* targets requires a considerable rethink in the way that the Assembly Government approaches housing. It is also clear that the *One Wales* target of 6,500 new affordable homes by the spring of 2011 should be seen as the starting and not the finishing point for home numbers. There is no 100 per cent reliable figure for housing need in Wales and in the current economic climate the term affordability cannot be considered as a static definition, either in money or location. There has to be an acceptance from government that this is a long-term problem requiring long-term intervention.

The affordable housing challenge is a classic dilemma for a government which is not itself a direct provider and is dependent on others to deliver its policy intentions. It raises key questions about how to use the tools, and the influence government has, to secure the outcomes it wants. The review team suggest that the way forward is to bring all the key players in the housing field together and maximise knowledge and capacity. It is essential to establish a common purpose and direction, to ensure that the enabling framework and system are right for the job so that all players can play their full part, and that all the delivery tools are in place and fully developed. This is particularly true in terms of finance, land and skills.

The Assembly Government's *Making the Connections* model, developed in the wake of the 2006 Beecham Report, provides a framework for this approach. The review team believe the model, with its focus on collaboration to deliver shared outcomes, best value from resources, and a stress on the role of the citizen, is most appropriate for housing. Assembly Government involvement has to be one of engaged leadership, not command and control, making sure that the framework that supports local authorities and housing associations enables them to deliver and allows proper accountability.

Housing associations are critical to affordable housing and supported housing delivery. There had been concern from Community Housing Cymru, the umbrella organisation for the associations, that their regulatory framework was too limiting and did not allow them to work to their full potential in delivering housing numbers and working as social enterprises. The review team thought that greater flexibility for associations is important to enable innovation in response to housing need. This flexibility should be accompanied with greater attention being given to housing associations' finance and governance to give assurance to tenants, funders and government.

As community leaders, local authorities should use their powers and responsibilities to best advantage. They must be the drivers at the local level, working across organisational and geographical boundaries to ensure deliverability, chasing progress and taking action, focusing on housing need and regeneration and being accountable for performance. There needs to be sufficient flexibility for local responsiveness to ensure that the right development is in the right place, such as allowing small-scale well located developments in rural communities.



Sue Essex:  
*'...the strongest gleam of light in the gloom is the positive way that the Assembly Government is responding.'*

The private sector needs to be inside the tent, too, both as providers, particularly in our large urban communities, with the emphasis on quality and availability of affordable property, and also as funders, critical to supplying necessary finance to enable new building in areas of need.

We can take some encouragement from the excellent work going on, both within and outside Wales, which is transferable and could be mainstreamed. Our planning policies and land disposals must aid the drive to meet the *One Wales* housing target. Everything must join up and be integrated for us to stand a chance of fully delivering for those in housing need.

Can all this deliver in the current financial crisis? Well there can be gleams

of light even in the gloom. House builders who are experiencing a static private sale market may embrace affordable house building as a way of keeping their businesses going. Land should become more available and at lower prices to reduce development costs. Indeed once the worst of the lending stagnation eases, investing in affordable housing may be the kind of safe, secure and transparent investment that many long term investors, including pension funds and building societies, will find attractive for the future.

There is also a strong argument, as argued by the IWA in its *Future of Social Housing in Wales* report, for looking at a more innovative model of funding such as that used by Glas Cymru. This is essentially a not for profit vehicle for raising funds for water delivery and investment in Wales which may have relevance for housing development and renovation. At the same time we will continue to need the Welsh Assembly Government to give affordable housing funding priority, not just because it is for desperately needed housing, but because it can also help meet so many other of the nation's priorities

Perhaps the strongest gleam of light in the gloom is the speed and positive way that the Welsh Assembly Government, through its Housing Minister Jocelyn Davies, is responding to the review. A dynamic partnership is being put together, charged with delivering our recommendations.

- *Sue Essex, a former Minister in the Assembly Government and an IWA Trustee, led the Assembly Government's Review of Social Housing during 2007-08, together with Bob Smith of the Regeneration Institute, Cardiff University, and Peter Williams, formerly of the Council of Mortgage Lenders.*

# euro speak

## des clifford on how Welsh has followed Catalan into European discourse

In July the Council of the European Union agreed that Welsh should be permitted, on request, as a language available to Ministers to speak at its meetings. This means that when, as part of the UK delegation, a Welsh Assembly Government Minister speaks at the Council in Brussels (or sometimes Luxembourg), they may do so in Welsh.

This is the first time that Welsh has been accorded any kind of status at the level of European Union institutions. The breakthrough was described by the First Minister as “an historic development” and illustrates that the Assembly Government can deliver progress in Europe in ways that simply would not have been possible before devolution.

The Council decision is the essential first step in a series that will eventually allow Welsh to be used in several EU contexts. The Assembly Government is currently negotiating through the UK Government to secure the necessary agreements with the EU institutions. In practice this will mean:

- Ministers will be able to speak Welsh at the European Council.
- Members of the Committee of the Regions will be able to speak Welsh at plenary sessions.
- Citizens will be able to correspond with EU institutions in Welsh.
- A right to deposit translations of EU documents in Council archives with web-links from the Council web-site to sites posting translations.

Welsh has not become an official language of the EU, and nor is this likely in the near future. The EU has 27 Member States and 23 official languages. The EU’s official languages are those listed in the Treaty of Rome (and subsequent accession treaties) and comprise the official languages of Member States. Welsh has legislative

status in Wales, under-pinned by successive Language Acts, but it is not deemed an official language of the UK as a Member State of the EU. Irish, on the other hand, is an official language of a Member State and therefore can be an official language of the EU – although in practice it is only recently that the Irish government has invoked usage of the language at EU level.

The use of Welsh at EU level is a new departure, not easily imaginable in the past, and it is worth describing how the changed atmosphere in Europe came about. The recent enlargements of the Union effectively doubled the number of official languages. Around the same time the EU adopted a new motto United in Diversity, and the process leading up to the Lisbon Treaty made much of inclusion and appealing directly to citizens. Arguably this was a reflection of new realities rather than inspired vision, but it became harder for Europe’s natural centralisers to sustain a narrow cast view of language regime.

The decisive political shift derived from the Spanish elections of 2004. These were held just a few days after the appalling Madrid train bombings. It had seemed likely that the Conservative Party would sail back into power until the out-going Prime Minister Aznar peremptorily blamed Basque terrorists for the bombings. He spoke without any evidence and it quickly emerged that, in fact, Islamist extremists were responsible. Spanish voters were already traumatised by intelligence failure and now felt misled by their government. Aznar handed an unexpected victory to the Socialist Party.

The incoming Prime Minister, Zapatero, lacked an overall parliamentary majority and relied on the Catalan parties for support. The Catalans enjoyed a unique moment of power which they aimed to exploit. On their shopping list

The EU has 27 Member States and 23 official languages.





Plaid Cymru MEP Jill Evans is pressing the European Parliament to adopt the new rules on Welsh language acceptance that have been adopted by the Council of Ministers. In October 2008 she presented responses she has received from over seventy Welsh organisations supporting her campaign to the President of the European Parliament Hans-Gert Pöttering (picture insert on right).

of demands was the use of Catalan at EU level. The Spanish Government set about negotiating the necessary agreement at the European Council allowing, in certain circumstances, Catalan, Galician and Basque to be spoken by Spanish ministers at its meetings. This required unanimous agreement from Member States, which was achieved in 2005.

This major change was immediately noted by the Assembly Government. Since the UK Government had approved the principle of permitting Spain to use languages other than Spanish under certain circumstances, why not Welsh? We maintained close contact with our Catalan colleagues and so were well briefed on the practicalities and politics involved. The Assembly Government was not in a position to act alone. Only Member State governments may formally bid for changes to the language regime. The first vital step was to gain the active support and co-operation of the UK Government.

First Minister Rhodri Morgan initiated discussion with the Foreign and

Commonwealth Office in 2006. Over the next two years detailed discussions took place in London, Brussels and Cardiff to thrash out a viable policy under-pinned by workable processes. The Assembly Government agreed to bear the costs. The UK Government agreed to sponsor the proposal through the EU institutions and to work with us to invoke its use in practice. The broad cross-party consensus in the National Assembly in favour of promoting the use of Welsh created a helpful domestic political context.

Consultation across UK Government is a lengthy affair and different interests need to be balanced. Opinion was not undivided. Although our collaboration with the UK Government both in Brussels and London was effective, and produced the right result, it is fair to say we were sometimes frustrated by bottle-necks and delays in Whitehall.

In parallel with political discussions, detailed attention was given to the practicalities involved. The written

element (translations of letters) should, in principle, be straightforward and the aim is to accommodate these within existing resources in Wales. The spoken element, interpretation, is more complex.

The EU interpretation service (DG Interpretation) provides interpretation at all official EU meetings. The Iberian languages had it easy. Some 40 per cent of the EU's Spanish interpreters are proficient in Catalan, with a sufficient number also able to deal with Galician and Basque. Not a single interpreter in the EU's current interpretation service can offer Welsh, a sad statistic which our modern languages students and universities should note. As a result, interpreters from Wales will be contracted as need arises. But these interpreters must first be tested and approved to the same level as the EU's in-house staff. The Assembly Government worked with the Commission and the Welsh Language Board to help prepare candidates from Wales. At the first tests in Brussels our interpreters recorded an impressive 75

per cent pass rate, well above the usual 40 per cent average. This means we now have a panel of accredited Welsh interpreters in place and able to work for the EU institutions in Brussels or Luxembourg on demand.

Some will argue that adding language provision in Welsh and other languages simply adds to the complexity and cost of EU business. In a narrow sense this argument has some force. However, there are other aspects to consider. In an enlarged Union the language regime is necessarily more complex and the selective provision of

The agreement with the Council of Ministers is a first step. We hope to negotiate other agreements with the European Commission, the Committee of the Regions, the Economic and Social Committee and the European Ombudsman. For the time being the European Parliament resists opening up its plenary sessions to languages other than the EU's official languages. It argues that its approach is partly pragmatic and that they have difficulty in providing a full service in the existing official languages (although why this should be a problem for the

(ironically) for native English speakers, and practicality now means that interpretation is increasingly taken from a feed of one of the 'core languages'. For example, while a speech delivered in Maltese might be interpreted directly into French and English, the Slovak interpretation would then be effected from one of these. When Welsh is spoken it will be interpreted directly only into English and the other interpreters will take their feed from this. It's a good reason for not cracking jokes in European speeches – the chances of it being funny in 23-plus languages are slim and, in any case, the punch-line will take at least a minute to travel around the room.

Wales has no monopoly on pride in language. Most countries, and not just small ones, feel pretty strongly about their cultural status. The Italian Government has recently insisted its staff speak Italian at meetings even if they speak another language very well. The French are famously insistent in this respect. The potential for sensitivity on language provision is substantial. Critics say a profusion of languages just makes everything more difficult. Better, they say, to cut back on languages, ideally to just one. In a large, multi-lateral, multi-identity Union the arguments can be stacked up in different ways and there is no single 'correct' solution.

For now, it is a source of pride to the Assembly Government that Welsh will be heard, and interpreted, for the first time at European Union level. Given that 2008 is the EU's Year of Intercultural Dialogue this represents a very practical expression of Europe's variety. Since devolution began the Assembly Government has worked hard to ensure that Wales takes its place in Europe as an engaged partner. The facility for citizens and our elected representatives to use Welsh is positive recognition of this.



Des Clifford pictured alongside First Minister Rhodri Morgan, taking advantage of simultaneous translation at a meeting of European Regions with Legislative Powers.

additional languages on request is perfectly practical, as the United Nations demonstrates day in, day out. Language is not simply a matter of technicality. It also reflects identity and culture. That is why politicians almost invariably prefer to speak their native language when it is offered, even if they could manage perfectly well in another mainstream language, as many can. As for cost, certainly it's an issue but the circumstances where Welsh might be used are geared towards elected representatives and citizens. Our plans deliberately do not call for the translation of large quantities of EU documentation into Welsh.

Parliament and not for the Council is not immediately obvious). It seems there is also political resistance from some quarters of the Parliament to opening up the language regime. We are hopeful, though, that the Parliament will agree to facilitate correspondence in Welsh with its President and other office holders on demand. It is perhaps worth pointing out that none of this affects correspondence with individual MEPs who are responsible for deciding their own approach to Welsh correspondence.

The rapid growth of the EU undoubtedly presented major challenges to the EU's interpretation services. Recruitment is difficult, including

• *Des Clifford is Head of the Welsh Assembly Government European Union Office in Brussels.*

# news blackout

## ned thomas reflects on the future of the Welsh press and media

**W**hen the Welsh Assembly Government reneged in February 2008 on its commitment in the *One Wales* coalition agreement to establish a daily newspaper in Welsh, there was widespread outrage at the decision itself, which was compounded by the perceived contempt for the electorate shown in the amateurish and unconvincing attempts to justify the decision. However, politics moves on, and so, conveniently for all perhaps, has the Minister who made the decision.

At the end of the day, we get the elected politicians and governments we deserve, who have the right to make their own decisions and their own mistakes and to defend them as best they can. As the economic skies darken, the Government's original commitment already seems to belong to a past world of rising expectations, where of all the promises in its programme, the new Government had this one opportunity to make its mark in its first year of office, and blew it. Setting aside the shock to the company which we established to publish *Y Byd* at not being able to bid for sums we had been led in the most unambiguous terms to suppose would be available, I feel a wider regret at what happened, and that on three fronts.

First, there is the blow to the self-confidence of the Welsh-speaking community. *Y Byd* was not a project dreamt up by politicians or the Welsh Language Board for the good of the language. It has been a very broadly-based communal

undertaking by members of the language group, with much appreciated outside support, built up over a number of years in the face of that radical self-doubt which is endemic in most minority communities because of their historical experience of losing. The Assembly Government's decision risks confirming that lack of self-confidence. At first sight this is ironic given the communitarian rhetoric of our new institutions, but on consideration perhaps it merely demonstrates that the lack of self-confidence runs to the very top. Whatever our own decision as a company, I suspect the issue will not go away, nor should it, if only because of this question of morale.

Secondly, there is the European dimension, which has been important to our project from the start. When the former Heritage Minister wrote to the Association of Minority Dailies expressing his determination to set up a Welsh-language daily, the news of his commitment went round Europe very fast.

The bad news, when it came, circulated just as swiftly. The Irish daily *Lá* has been rescued until the end of 2008, after which its future is very uncertain. There is now every chance that a company which has carried a substantial loss on its Irish language paper over the last years will be told to make do at best with a grant for a website, citing the Welsh example. In the world of European minorities, the UK has had a relatively progressive profile within which Wales has been its best card. I regret the damage done to that image and to other minorities.

Finally, there is the damage done to politics itself in Wales. Many of the two thousand or so people who are directly or indirectly involved with *Y Byd* and are relatively well-informed naturally have strong feelings about what happened. But outside their ranks, so far as I am able to judge,

A massive consolidation in newspaper printing is underway in the UK. The only newspaper print operations now left in Wales are NWN Media (formerly North Wales Newspapers) and Trinity Mirror in Cardiff, pictured here.

## communications

the episode has registered mainly as another reason for cynicism. Lawyers and media people in Cardiff, farmers in Ceredigion, people completely unknown to me who have stopped me on the street in Gwynedd, all have variants of the same phrases: “It’s a dirty business politics”, or “That’s politics for you – they fix things between themselves behind closed doors”, to “They’re all in it for themselves”, and “You can’t trust politicians”.

You can argue that acquiring a degree of cynicism is a necessary part of any nation’s political education, but as it happens I don’t agree with these sentiments when expressed in a blanket manner. We have found, and continue to find, interest and support for the daily newspaper project in all parties. Like the rest of us, politicians are a mixed lot with mixed motives, including very often the intention to do some good. If they are in power they get bad advice as well as good (but that does not exonerate them). They are surrounded by yes-persons and what George Orwell called “backstairs crawlers”. They learn as they go along like everyone else and they have to cope, in Harold Macmillan’s phrase, with “events, dear boy”. Sometimes they get a second chance.

To help politicians succeed (and practice virtue) they need a media and press which makes them visible to and engages them with their electorate, which investigates and explains those things which ordinary citizens find it hard to investigate for themselves, and which can, when necessary, reveal corruption, ferret out lies and expose spin. We saw the newspaper project from the start as a kind of unspoken partnership with the Welsh Assembly and the Welsh Assembly Government in the building of a Welsh democracy in the post-devolution period. So it is a matter of regret that things haven’t turned out that way – but it is never too late.

Removing my hat of company chairman (since the future of our company will be decided amongst ourselves, the shareholders), I write what follows as a simple researcher looking at the question of whether there is a still a need and a case for a daily newspaper in Welsh after the award of an annual £200,000 to *Golwg* for another Welsh news website. This is clearly a step forward as it will pay for the time of more journalists working in Welsh, and its coming has already persuaded the *Daily Post* to launch its own Welsh website.

The case that it cannot replace a daily newspaper relies on a number of different arguments. First is reach. Allowing for the moment that news websites are able to take over the functions of newspapers, we are still a very long way from saturation when it comes to internet and broadband access in Wales. OFCOM’s 2008 figures show the percentage of households in Wales with such access as 55 per cent and 45 per cent respectively. Since the figures for broadband rise far above the average in Cardiff and Swansea, it is pretty clear that broadband access must be well below the 45 per cent average in much of the rest of Wales, including many of the most Welsh-speaking areas – either because of poor or no connectivity, or else because of economic deprivation. Rhodri Glyn Thomas’s answer to this problem of social exclusion, “let them go to libraries” was pretty unpopular in areas where that supposes access to a car and a fifteen mile drive. Nor is Wales catching up very fast; in fact, it is increasingly falling behind England. The broadband figures for 2008 showed only a 2 per cent increase on 2006. On this score alone there is a good case for paper remaining an essential medium in Wales for some time to come.

The aspiration to launch Y Byd was ‘a broadly-based communal undertaking ... in the face of that radical self-doubt which is endemic in most minority communities because of their historical experience of losing.’

62



But like Dylan Iorwerth, writing in the Summer 2008 issue of *Agenda*, I take the view that print and websites suit different types of material – background analysis on the one hand, breaking news on the other. The average time users spend on some of the most popular news websites is around five minutes, which suggests they go there for certain kinds of material only.

Virtually all newspapers are now multi-platform operations in an attempt to ensure that, in the drift from print to web in certain categories of advertising, the income still remains within the company. One problem they face is that while display advertising still seems to be most effective in print, ‘search advertising’, at which the internet excels, has very largely been taken over by the large search engines. Another is how to monetise web content. Only the *Financial Times* seems successful in getting people to pay for on-line content. What everyone hopes to do is to use the paper to send people to the website and vice versa. Newspapers still have the edge over magazines as the print medium when it comes to wide distribution because of the lower costs for newsprint. Once more, newspaper plus web would seem the preferred option for reaching the maximum audience and securing the maximum advertising revenue, within the small Welsh-language market as well as more generally.

However, at the moment, all that discussion seems pretty academic. Newspapers and commercial media generally are in something like free fall since mid-2008. This is entirely due to the economic downturn where advertising spend is one of the first casualties. It is affecting television where Channel 4 is cutting 15 per cent of its staff, and ITV losing 1,000 jobs, some of those in Wales. It is affecting daily and weekly, London, regional and local papers across the UK, whether paid for, part-paid, or free (though there are always interesting individual exceptions which will repay further analysis). It is also affecting advertising-dependent, free-standing websites.

All the major groups – Trinity Mirror, News International, the Daily Mail Group, Newsquest and Johnston Press – are reporting steep declines in advertising income across their papers and websites. For example, Johnston Press which publishes 18 dailies including the Scotsman and the Yorkshire Post, and some 300 weekly papers, announced a 9.5 per cent reduction in advertising in the first six months of 2008, followed by a 21 per cent decrease in only the first seven weeks of the second half.

In September 2008 alone very substantial job cuts were announced by Trinity Mirror in Birmingham and the Express group in London as well as by smaller groups. Across the UK in the same month there were numerous closures and mergers of titles. In Wales we lost the Bridgend Post, and saw the merger of the Abergele Visitor, the Rhyl and Prestatyn Visitor and Your Vale into a new Denbighshire Visitor. The Big Issue Welsh Edition made two of its three editorial staff redundant and moved production to its Scottish office. No-one in the trade thinks the worst is over.

Meanwhile, in newspaper printing, a massive consolidation is happening with more and more investment in fewer and fewer supersites – none of them in Wales, where now only Trinity Mirror in Cardiff and NWN Media (formerly North Wales Newspapers) have printing operations. Trinity Mirror is currently closing its Liverpool site which prints the Daily Post with the loss of 100 jobs, and moving titles to its new supersite in Oldham. North Wales Media recently made a brave investment in a new press on Deeside but it has come on-line at a difficult time when smaller printers are under increasing pressure. Unite’s Assistant General Secretary recently suggested that soon every UK newspaper might be printed by News International. Their recent £660million investment in three large printing facilities in the UK allows them to handle between 25 and 30 million newspapers a day, when the daily national print run of newspapers only amounts to 10 million copies. Enough capacity to slip *Y Byd* in there! Harmsworth Printing (The Daily Mail Group) has also made a massive investment in state-of-the-art presses at a site near Reading (recently opened by David Cameron) and is looking for contract printing. There are knock-on effects in the paper industry as the economy shrinks. UPM has announced the closure of two paper mills with the loss of 1600 jobs in Finland, where 4,000 of its workers are on strike. Let’s hope their Shotton Paper Mill survives.

Where and when will it end? I’m not rash enough to answer that. But I think one can make a few predictions: that there is at least one very bad year ahead, and that when things bottom out we shall have seen an almighty shake-out and consolidation both in the world of newspapers and newspaper printing, with fewer but stronger brands which will run across both print and web.

Cover prices are already rising steeply and papers may become thinner during the downturn. Circulations may drop further and some readers may indeed defect to the web entirely, but the brands will measure their readership across all media.

It is most unlikely that the UK will be without a number of daily papers in English for years to come so that the human rights and national case for a daily newspaper in Welsh will still stand. Times of crisis can also be times of opportunity. Will there still be a daily newspaper in English published in Wales in a few years time? I wish I could be completely confident of that.

• **Ned Thomas** is Academic Director of the Mercator Centre at the University of Aberystwyth and Chair of *Dyddiol Cyf*, the company set up to publish the first daily newspaper in Welsh.

# real wales

## peter finch on discovering his country

So what is this place? Grey crags and green miasma in the western British mists. A place, like poetry, where nothing happens. A place of sheep and hairy men. Where is this land? Most of the world do not know. And if they do then they can rarely point us out. “Wales? I never heard of that place,” was an excerpt from a conversation I had with some picnicking black Americans on the coast of South Carolina. Wales, the invisible, the lost. Wales, the real *Cantr’r Gwaelod*. A small island in the Hebrides. A rock off the west coast of Ireland. A hummock out there in the stormy ocean. Wales, Grassholm writ just that little bit larger. A floating land, full of birds.

The great historian Gwyn Alf Williams said the people of this place had “for a millennium and a half lived in the two western peninsulas of Britain as a Welsh people, (and) are now nothing but naked under an acid rain.” The tourist trade sells us as a place of endless singing, long yellow beaches, rugby and folk in stovepipe hats. Business promotion says we are a global centre, a land of opportunity, a place to relocate to, perfect transport, weather like Bermuda. The government says we have the highest incidence of heart disease in Europe. We smoke too much. We don’t climb enough of our hills. Wales, a fake place made by Woolworth, cellotaped to the west of the Midlands, useful for car rallies, and as a butt of English jokes. You are a country. You can’t mean that.

Everyone looks for Wales and so many do not find it. Either like R. S. Thomas they search for a Wales which does not exist, moving ever westward, in hope. Or like the academics find a new Wales right in front of them, constructed from the past’s framework, a place that changes and doesn’t simultaneously. A land of magic. Wave your divining rod. Follow your ley.

Defining Wales is rather like defining verse. For every rule someone comes up with there will be an exception which breaks it. Ultimately poems become what they are because the poet says so. Wales is like this. The bit you think of as real probably is. The Feathers in Llanystumdwy. The Greyhound on High Street in Newport. Barafundle. The power station at Connah’s Quay. Splott. The Millennium Coastal Park at Llanelli. The Spar at Flint. The writers gathered at the Vulcan in Adamsdown. The street of subscribers to *Taliesin* in Pwllheli. The coach spotters at Swansea bus station. Brecon Cathedral. The cairn at the far end of Golden Road. The pile of horseshoes in a front garden outside Aberystwyth. The sewage works at Aberystwyth. The place up near Dyfi Junction where there’s no platform but the trains still stop. Pete Davis’s Chicken Shed at Brynamman. The left bank of the river Lugg near Bleddfa. The Codfather of Sole chipshop on Barry Island seafront. The place where Dafydd Elis-Thomas parks his car near the Senedd. The steps of the National Museum and the pillars behind which John Tripp once hid his bicycle clips. The jetty at Mostyn from where the Airbus wings set sail. The bridge over the lost Roath Rail branch on Penylan Hill. All are as real as each other.

In a country the size of ours it should be possible to visit everywhere – some claim to have – but there are still towns and villages appearing on the nightly BBC Wales weather maps that I have never been through. And on occasions there is one of which I’ve never heard.

Some people never bother. Cardiffians – and some of them can be

the worst – live and die inside the capital. The Wales beyond is an alien land. Full of workless pits and mountains. No Asda. No Lidl. I am not going there. Why should I? What would I get out of it?

I have also met a well-known north Wales novelist who claimed never to have visited Pembrokeshire. The south? Not Welsh enough. Non-compliance as a political act. For him there are three countries: Y Fro Cymraeg, Welsh Wales, an arc of land in the western reaches; Wales that might as well be England, including the capital and the north east and the southern coasts; and Y Fro Efallai where desire and actuality mix, where reality comes in like a short wave signal – Myddfai, Banwen, Merthyr, Pontcanna; Aber out of term time; Trefdraeth when the sun shines. Who is to say that his Wales is any better than mine? Or that mine is more real?

The book I’ve written is about this country. A place where some imagine that no one has raised a sword in anger since Glyndŵr’s rebellion went down in 1409 and the Welsh were banned from ever owning anything outside their borders. A place where others know, for certain, that the real Wales is waiting, just round the political corner, and a new day will come. Minorities rise. Nation states fragment. It’s the post-modern way.

Real Wales may well be a place of people, a land of human intervention, of despoliation in the search for minerals, of pipelines and power grids, and roads that mesh the green like fishnet, but it is not an urban country. The city life of disenfranchisement, dislocation and alienation is not ours. Wales, land of communities, where decisions reach the surface through compromise and conciliation. Wales where power frightens and underdogs are prized. Wales where time slows and life is longer. Wales where the past actually is important and historians are honoured. Wales where highrise is feared and there is no navy. The real Wales is where people always talk about who they are, strive after roots, want fields rather than mansions,

# WINE



Some of Peter Finch's quirky images taken from *Real Wales: Cardiff's skyline is reflected in the window of a wine merchants; tea ladies in Abergavenny market; and a pile of cast-off horses hooves in Cwmystwyth.*

although generally have neither. The real Wales is the one I've gone looking for. Not sure I've found it all yet.

When I wrote *Real Cardiff*, back in 2002, I determined to write about the land as I saw it. No considered history nor topographical guide, no socio-economic handbook, nor fictional prose. As I observed it the world kept changing. The past slid from me. Those guarding it seemed to want to usher it away. What we were went underground to stay hidden or to be dug up by the disinterested and burned. Few seemed to care. The land also seemed to be secret. Full of self-contained, excluding epi-centres, places where you could only gain access if you had a key. The Cardiff of Geraint Jarman's Welsh reggae, of Philip Dunleavy's Castle, of Callaghan's slum clearance, the Cardiff of Geoffrey Inkin's Barrage and Bay. These innovations were making us a completely new Welsh city, a post-industrial capital for an incoming millennium, something out there was happening. It had to be tracked and written down.

*Real Wales* adopts the same approach for the whole country. The *Real Cardiff* books (volumes one and two already best sellers and a third out there in the hazy, not-yet-completed wings) spawned a series: *Real Swansea*, *Real Merthyr*, *Real Newport*, *Real Wrexham*, *Real Aberystwyth*. The present volume is my look at my country. Didn't know it was mine until I grew and went out there to see. There are many like me. Lights go on. We need to find out just who we really are.

In writing it I've used classic *Real Cardiff* techniques. I've visited places by accident, simply because they sounded interesting, or because I found myself nearby. Places determined by their importance to Wales. Places that had to be rediscovered. Places where things existed. Places where, apparently, they did not. I went on tour, doing poetry readings. I visited alone, with my partner, in the company of local experts, literateurs, odd balls, historians, novelists. I used old maps and new ones. I read local histories and national overviews. I

travelled by car and train and on foot. Much of the distance on foot, for often there were only unpaved tracks.

I discovered a lot. The sheep are many. The rain is often. The light is brilliant. The skies can be huge. The past can be picked up because it is often so near the surface. The past can also never be found again because of what we have done to it. Broken it, built on it, lost it, thrown it away. And there is also the matter of the mysteries, that stuff of Wales which makes things happen, or seem to happen, of which I've found no evidence anywhere else. Kings sleeping below rocks. Blood in trees. Wonder in the grass. A consensus of who we are. Future in the air.

• **Peter Finch** is chief executive of Academi, the Welsh National Literature Promotion Agency. His *Real Wales* is published by Seren.



# northern icon

The Craft Centre's new courtyard works as an urban space – 'proved on the opening night when revellers ate, drank, danced, and enjoyed a performance under the stars.'

## derek jones introduces the new Ruthin craft centre

**I**n the nick of time, Wales has been presented with a world class centre for the applied arts. Had the Arts Council or Denbighshire County Council dragged their feet in 2005, the tentacles of the London Olympics would soon have been attached to the money. Fortunately, vision and imagination prevailed and a superb new building, uncompromisingly of the 21st Century, opened its doors, on time and on budget, in July 2008.

It is surely a sign of cultural health that this new centre should not be housed in the capital city, but in a small northern town, with a population of just over 5,000. People must come to Ruthin if they wish to experience the very best of contemporary crafts: ceramics, textiles, furniture design, jewellery-making, or silversmithing.

The choice of this town as home for a national centre for the applied arts

was, of course, no accident. The reputation of its old Craft Centre, visited by some 90,000 tourists and crafts enthusiasts each year, was already notable and established. The potters Emmanuel Cooper and Walter Keeler were regular exhibitors, along with the Denbigh-based jewellery maker Kathleen Makinson, the quirky sculptor and performance artist Andrew Logan, Jim Partridge and Liz Walmsley, furniture designers, Cefyn Burgess, from Deganwy, maker of textiles and prints, and many others. The potters Matsuzaki Ken (Japan), and Gwyn Hanssen Pigott (Australia) held solo exhibitions in 2005.

The Ruthin curators have regularly showcased contemporary Welsh art for the International Art Fair for Contemporary Objects at the V and A, at the International Exposition of Sculptural Objects and Functional Art in Chicago, and, not least at the National Eisteddfod. For the past 20 years Director Philip Hughes, and Deputy Director Jane Gerrard, have adopted a firm policy of national and international inclusiveness, while remaining determined to encourage local talent.

The first thought was to adapt and extend the existing building: two galleries, a shop, a café and 12 small workshops arranged round a rectangular courtyard. The galleries were capable of miraculous small displays which expressed the essence of an artist's work at a particular time. Many had good memories of them. Yet size was a constraint, and although homely and familiar, the old centre was not great architecture and had a great many practical disadvantages.

The Arts Council of Wales, then chaired by Geraint Talfan Davies, was open to the possibility of building a new national centre for the applied arts, with some sense of presence, which could extend and enrich the portfolio of an already successful imaginative enterprise. Denbighshire County Council agreed. Sergison Bates, the London-based architects appointed to re-develop the site, suggested that for the same money – £4.4million, including £3.1million from the Arts Council, the largest capital lottery grant ever devoted to an arts project north of the M4 – they could design an entirely new building, which was fit for purpose, answered the

client's need for space, and would be worth visiting in its own right as well as housing work of high quality. What was more, it could be constructed without straying outside the 'footprint' of the old building.

Architects and staff were adamant that, while they wanted the new centre to reflect 21st Century values, they did not want a 'glass box'. What they have presented to Ruthin and to Wales is surprising in more than one respect. Not least it has preserved the memory of its predecessor by retaining the idea of the courtyard. But it is a transformed courtyard, with a spectacular sloping entrance, and with steel gates by Brian Podschies, making you feel that you have really arrived somewhere. Looking inside from the gate, the wavy roofline of the workshops, the dyed sandstone-coloured concrete walls (Ruthin is built on sandstone), and the high windows, which throw light into the main galleries, convey a sense of intimacy and shapeliness.

The new courtyard is no mere architectural flight of fancy, but actually works as urban space. This was proved on the opening night when Craft Centre revellers ate, drank, danced, and enjoyed a performance under the stars. By happy accident, since then an outdoor concert by Ensemble Cymru has demonstrated that the courtyard has excellent acoustics. Its furniture, low wooden benches by Partridge and Walmsley, cunningly reflect the shape of the roofline.

Locally, the odd eyebrow was raised about the propriety of replacing a building which was only 25 years old. As the new Centre began to take shape, contributors to the Ruthin blog took the view – sometimes stridently – that it looked more like a factory than an arts centre. They didn't care for the zinc cladding on the external walls, which is all that casual passers-by can see, or appreciate the implicit respect being paid to the neighbouring business and retail park (though not, perhaps, to the Tesco supermarket opposite, which is anything but iconic). It was always likely that some would not warm to this latest addition to Ruthin's townscape because their minds

are set against all modern architecture. On the other hand, it is fair to report that many of those who were initially hostile changed their minds once they set foot inside the courtyard.

The first visitors – at least 10,000 during the first fortnight alone – were astonished by the 300 square feet of space which has been created for exhibitions. There are now three galleries. The biggest is lofty and full of natural light; it is now possible to make full use of the walls, and the floor, and people can inspect exhibits without getting under each other's feet. After careful soundings, the latest work of Andrew Logan was chosen to baptise this gallery.

The second gallery, smaller and more intimate, was devoted to recent ceramics by Nancy and Gordon Baldwin, inspired by classical Greek motifs. Some might be tempted to think of the third gallery, which links the other two as a mere corridor. In fact, it is central to the whole experience of visiting the Centre, because you can see its exhibits from the courtyard,

providing a sense of unity to the whole. Artists with Welsh connections – Claire Cuneen, Eleri Mills, Walter Keeler and Audrey Wood – were on show there for the first couple of months. In late 2008, the only UK presentation of work by the goldsmith and silversmith David Watkins was installed, alongside *Raising the Bar: Influential Voices in Metal*, the first product of a promising partnership with the Innovative Craft gallery in Edinburgh. The use of the definite article, in the Centre's new strap-line, *The Centre for Applied Arts*, is already justified.

Several more elements complete the ensemble. Craftspeople have changed the way they work over the last 25 years, and it is now realistic to offer just six permanent workshop spaces. However, the aim remains the same, to remove barriers to understanding by revealing makers at work. Two further spaces have been allocated to a series of three-month residencies for artists who would value the opportunity to research and develop their practice in a creative atmosphere, as well as contributing to the Centre's educational programme.

Education has always been central to the Centre's mission, and, with greatly increased space, its programme of work with local schools and universities, master-classes, discussions, and demonstrations to accompany exhibitions, can be expanded. There is money to employ an education officer for the next two years. The Cultural Gateway room is still a little primitive. However, Welsh filmmakers, whose topographically innovative work is shown continuously on a loop, are adding a welcome extra dimension to the Centre.

Inevitably, commerce has its place. There's an attractive shop, with views out to the town, close to the three galleries. You could spend a lot of money there, but craft never came cheap, and not everything is beyond the average pocket. The already-popular café spills out into the courtyard. Around its walls is the one permanent exhibition in the centre: Cordelia Weedon's photographs of Ruthin, which challenge the often clichéd imagery of tourism; few more imaginative projects could have been devised to bury the local myth that the Craft Centre does nothing for the town. If this exhibition does not persuade tourists to walk up the hill to examine some very different buildings, nothing will.

Philip Hughes believes that, among other things, the Centre is a response to the decline of mass tourism. Often fed on a diet of homogeneous manufactured goods, visitors respond warmly to work which has been made by hand.

Perceptions of craft continue to change and, on past form, the Ruthin Craft Centre will always be ready to innovate. For young craftspeople, the Centre will be an inspiration. Yet, as Philip points out, one of the most attractive characteristics of makers is that they never retire. With that in mind, early in 2009 the Centre will present *The Age of Experience*, an exhibition exclusively devoted to work by artists over 60.

• **Derek Jones** is Chair of the Civic Trust for Wales.

# life's diary

john morgans describes  
how he reduced five million  
words to 160,000



John Morgans on an outing to Porthcawl in 1948, with his grandfather, Hugh Davies, a retired coal miner and seaman with Cory Brothers Cardiff on coal ships to South America.

My eyes kept turning to the books on the two top shelves of the old family bureau. Should I read them? There they were, with their black, brown, red, and silver spines. All the books were the same size, each with 365 pages – except a few with 366 pages. That's not quite true. There were three exceptions. They were smaller and slightly more tattered. They were the *Letts Schoolboys Diaries* for 1952, 1953 and 1954. Should I begin to read the 56 diaries? How long would it take? How bored would I get? How much would be forgettable? Was anything worth remembering?

It was soon after retiring in March 2004 that my eyes gazed at the bureau. As I began to reflect upon the years that had passed so swiftly, I opened the diary for 1952 and began to read my entry for the first of January. I had not read those words for more than 50 years.

Why did I start to write a diary all those years ago? Amongst my gifts for Christmas 1951 was a *Letts School-Boys Diary*. Dutifully, on the first day of January 1952, I wrote my thoughts for the day that was passing. Little did I imagine that 56 years later, every evening before I sleep, I pick up my diary and the Parker pen I received for my 21st birthday and continue to write. In 1952 I wrote a dozen words each night. Since 1955 when I graduated from *Letts* to a 'page a day diary', I have written between 250 and 300 words each evening. This has happened every day throughout the years and the total number of words amount to more than 5 million. It is now an ingrained habit. Sleep comes only after the diary is written.

As I began to re-read, I realised that here were descriptions of a world that had passed. Was I that boy aged twelve, weighing 6 stones, and 4 feet 10 inches in height? As I read on through the years, I rediscovered the young man in his twenties, the married man, and finally the father of three children who had arrived at the status of a grandfather. I had written about the years (from 12 to 25) of my life in Tylorstown; about the life of a student in Swansea, Oxford and Hartford in the United States; about ministry, centred in turn in Llanidloes, Swansea, Cardiff, and Penrhys.

Four years after beginning to read the diaries in 2004, and now approaching my seventieth birthday, I know I am the same person as that twelve year old of 1952. And yet it would be difficult to recognize the effects of that journey that has brought me from there to here, had it not been that 'my life had been recorded in the diaries'.

I started the journey through my lifetime by extracting pieces from the diary recorded by the 12 year old. Did we really live like that in those long-past days? Were our lives shaped by the kind of things I was now reading about for the first time? Was Rhondda composed of large extended families, living within

walking distance? Did we visit grandparents each week? And did the 'exiles' always return for the Easter Gymanfa Ganu (the Singing Festival)? Were the crowds in the streets a combination of the locals and the 'Cymry ar wasgar' who came from distant places like Hereford, Birmingham, London and Lowestoft?

And what of the life of the street? The street was the key locale for the young boys, and I assume the young girls but they played their own games. Boys played in the street – football, and cricket, 'cat and dog', 'strong horses – weak donkeys', kick the tin, collecting milk tops. Boys explored 'our mountain' which stretched behind the street, and ventured onto 'other mountains' which belonged to other boys.

At home was the world of the wireless with its serials, plays and comedy shows, and when one grew older, its concerts and the forbidden world of jazz on the crackling 'Voice of America'. It was the world of the Grammar School and the divisions between County School, local Grammar School and Secondary Modern School. The divisions were healed by the local education authority Youth Club, the Chapel and the Welfare Hall.

As I read, I copied exact extracts, page after page and year after year. Three years after beginning the re-living of my life's journey, I discovered I had extracted a totally unmanageable 1 million words. There followed the challenge of editing and re-editing to eventually arrive at 160,000 words: just 3 per cent of the original diaries. Would this record be of interest to my children and grandchildren? And what of the wider public?

Most people are interested in reading the celebrations and struggles of ordinary people in everyday situations. Most are stimulated to learn of the remarkable way in which people live courageously and compassionately. Here recorded in my diaries is the story of a world burgeoning with potential and yet scarred by inequalities and injustices. Of course, it is a very personal and contemporaneous view of my own life and my view of Wales and the wider world, from the 1950s through to 2004. But there are some issues and events of wider significance:

- Beginning in 1983 (in the depths of the Cold War), a relationship between Wales and Hungary, a relationship which enabled many hundreds from both nations, to share different gifts in language teaching, working in care homes, and enjoying holidays.
- Rediscovering in 1995, the 200 year relationship between Wales and the island of Madagascar and enabling two dozen young people from that island to live and work on Penrhys.
- Helping to break down historic barriers between Catholic and Protestant by forging a link in 1971 with the Cistercian Monks of Caldey and enabling many thousands to pray and live with the monks during a relationship of over 30 years.
- Seeking to create church reconciliation in the formation of Churches Together in Wales (Cytun) in 1989.
- Working for peace and justice in the struggles of anti-apartheid, disarmament and in the sharing of human resources.
- Struggling abortively with other Welsh Church leaders to create a just settlement in the Mining Dispute of 1984–85.



John Morgans with his wife Norah in the Church at Penrhys in February 2004, on the occasion of their goodbye to the community.

- Living on Penrhys from 1986 to 2004 proved a privilege of both delight and heartache. What the media had described as a 'no-go' area became for us a place for the receiving of gifts and learning the value of community. Politicians and town planners could also learn by living in similar communities.

And as I conclude my reading of the past 56 years, am I able to discern threads in this complex pattern?

- The boy who recorded the death of George VI on his birthday in 1952, shared that fact with Elizabeth, the Queen Mother.
- The boy who recorded the defeat of England by Hungary in 1953 has two Hungarian daughters-in-law, and three Welsh Hungarian grandsons.
- The boy whose grandmother read the Welsh Bible to him, presented a copy of the new Welsh Bible to Metropolitan Philaret in Moscow in 1988.
- The grandson and great-grandson of miners met McGregor, Scargill and Peter Walker in an abortive attempt to bring a just settlement.
- The boy who collected eggs from Penrhys Uchaf Farm much later lived with his family, on the housing estate built on the land of the demolished farmhouse.

Would I have been conscious of these threads if I had not kept a diary? Probably not. But the threads existed, whether or not I was conscious of them. Is that the same with us all? Perhaps reading *Journey of a Lifetime* might jog many memories. Writing it has jogged mine.

• **John Morgans** was Moderator of the United Reform Church in Wales during the 1980s before creating the Church and Community of Llanfair, Penrhys, in the Rhondda during the 1990s. His *Journey of a Lifetime* was published in November 2008.

David Williams comes face to face with Archbishop Barry Morgan.



# disarming archbishop

## david williams on the incense, wine and fudge at the heart of the Anglican debates over sexuality

I understand that agnostics are normally listed in the same category as atheists and non religious people. I understand, too, that an agnostic takes the philosophical view that the truth and value of certain claims, particularly metaphysical beliefs regarding theology, afterlife and the existence of God, is unknown or impossible to prove or disprove.

In that case I think I can safely consider myself to be an agnostic, though I prefer to cling to the comforting thought that I've merely been hedging my bets about God, denying atheism just in case my doubts are misplaced. The best that can be said of me is that I'm a lapsed Christian who leads a secular life based on my own found spirituality. I no longer feel the need to go to church and consult with or confide in the clergy.

So it came as something of a surprise to find myself confessing all this to Wales's leading Anglican, no less a person than the Archbishop of Wales, Barry Morgan. It came about by accident in the middle of filming a wide ranging television interview intended to get the Archbishop's view on the many challenges and responsibilities facing him and his church.

But suddenly I found myself personalising the whole interview and turning the question back on myself. I suggested to the Archbishop that the evidence, or at least part of the reason for a declining flock, was sitting right in front of him. Although I still felt imbued with Christian values I confessed that I no longer felt the need to attend church. I went further and suggested that Christianity was itself a form of subtle fundamentalism which had been rammed down my throat as a child.

By now I was in full flight. Bolstered by my own-found confidence in secularism I demanded to know how I could be sure that the religious education I'd received as a child had been the right one?

The Archbishop laughed out loud and looked at me with that expression of kindness and understanding that I had come to know so well. In a soft comforting voice, he gave a devastating reply, "You don't and I certainly don't".

While I was still reeling from that response he went further. He came close to uttering what I regarded as heretical thoughts. He confided in me, while the camera was still rolling, that he didn't want to defend the church's record in the past. It was not, he said, a record of complete goodness and mercy, though he wished it otherwise. I thought this was pretty good coming from an Archbishop and I told him so.

His reply to that was even more disarming. "You have got to be honest," he said. But then came the explanation which, to me, characterised the Archbishop's continuing faith. He suggested that, at its best, Christianity reveals something of the character of God and that Jesus exemplifies a God of love.

The problem, he suggested, was that many believed instead in a God of Hate who 'zaps' people. "That is not the God of Jesus," he said.

Hear endeth the lesson. The agnostic had been put, ever so gently, in his place. During my time at the heart of Anglicanism I learned something very important – the value and beauty of ambiguity. Nothing was black and white. All was incense, fudge and diversity.

And by God it was necessary at a time when there was so much sorrow, pain and anguish in the Anglican Community. It has been a year which has challenged the leaders of that institution, not least because of the deeply divisive debate over homosexuality in the church.

But as the debate raged around him, the diminutive figure of the Archbishop of the Wales stood resolute in his belief that his should be an inclusive church. He is a clergyman foremost, but he is also a man not afraid to speak his mind on social and political issues. Indeed, it has been the hallmark of his leadership.

Now aged 62 and a grandfather, he became Archbishop of Wales in 2003 and since that time he has been a champion of women priests and an advocate of women becoming Bishops. We filmed him trying to persuade the Governing Body of the Church in Wales to accept this view. He failed, but he is convinced the argument will eventually be won.

If anything is to define his time in office it will be the argument over the consecration of women Bishops. But that was not the only divisive issue which revolved around the Bishops of the Anglican Church during my time spent filming the Archbishop of Wales. There was also the continuing debate over whether or not to consecrate Gay Bishops. This surfaced again during the summer of 2008 at a conference of *The Modern Church Union* in Hertfordshire

This was a gathering of the liberals in the Anglican Community, the people who dare think the unthinkable. It was suggested to me at this conference, which Barry Morgan chaired, that the real crisis in the Anglican Church would occur only if all the homosexuals left rather than the traditionalists who were threatening a split over the issue of sexuality.

And there in the audience listening to Barry Morgan giving a lecture on the poet-priest R.S. Thomas was the man who, perhaps, more than anyone epitomises the argument over sexuality, Gene Robinson, the gay Bishop of New Hampshire.

In an interview for the programme, Bishop Robinson told me that if we wanted to see what the church would be like after people had stopped obsessing over sex they should come to his diocese in New Hampshire. Sexuality wasn't an issue there, he told me.

Just a week after that gathering the Bishops of the world, or at least most of them, were getting together for the Lambeth conference which for a century has been one of the events keeping intact the largest Protestant church grouping in the world. This year, however, there was a big falling out, a so called schism tearing at the very fabric of the church. Almost a third of those invited, 250 Bishops in all, boycotted the

Canterbury conference. Those who stayed away took a traditional view that the Bible rules out 'active homosexuality'.

In a newspaper interview on the eve of the conference, Barry Morgan helpfully, suggested that he would be prepared to consecrate a gay Bishop. He justified his reasons in an interview with me at Lambeth. It was just what his friend the Archbishop of Canterbury did not want to hear as he attempted to maintain unity over this divisive issue. Nevertheless it did not stop Rowan Williams from sitting alongside his Cambridge contemporary and Welsh soul mate Barry Morgan for an interview with me in Canterbury.

The Archbishop of Canterbury, though, was far too wise to answer any direct questions on the 'elephant' in the church hall. When I asked him if he found his friendship with the Archbishop of Wales helpful, Rowan Williams responded in the affirmative and 'thanked God for it.' Oh how very Anglican!

If Lambeth decided anything it was that there should be further discussion before any decision could be made on the issue of sexuality. In the meantime there is to be a moratorium on the consecration of gay Bishops. At times it felt as though it would be easier to find clarity in communion wine than discovering an unambiguous answer at this religious feast.

However, Barry Morgan blessed me with a demonstration of his very clear stance in support of lesbian and gay Christians by attending a Lambeth fringe event starring an American comedian. The show was based on the comedian's real life experiences of programmes designed to 'cure' his homosexuality.

The presence of the Archbishop of Wales and two Welsh Bishops at this fringe event took on added significance. They could have stayed away, but they took their seats for an event which they knew we were filming.

Barry Morgan is listed as one of the 50 top movers and shakers in the Anglican Community. The organisers knew they had succeeded in achieving something of a coup in having him in the audience and they loved him for it. In his own quiet dignified way the Archbishop of Wales displayed the same trace of grit and determination which had run in the blood of his coalminer father. It was an important statement, a mark of where Barry Morgan stands on the issue of sexuality in the Church.

He is not afraid to make a stand and speak his mind though he is often surprised by the response to his pronouncements and for that reason he will probably not enjoy seeing himself on television agonising over the painful issues which have set Anglican against Anglican in the last few months.

His only real failing during the making of the programme – he was very, very careful in his choice of words – was his inability to convert the agnostic sitting in front of him. But at least he can take comfort in knowing that he did make him think.

• *David Williams is a freelance television producer and presenter and former Political Editor of BBC Wales. His 40-minute Boomerang documentary on the Archbishop of Wales will be broadcast at 10.40pm on BBC1 Wales on 3rd December 2008.*

# taking Wales with you



## peter stead

**t**he great Dutch travel writer Cees Nooteboom reports that many of his acquaintances assume that when he embarks on foreign travel he is running away from something. This is an issue that all of us who love to pack our bags and take to the air or the seas have to confront. Do we vacation to escape from our everyday selves or to take the opportunity to discover our real identities? The 12th Century Arab travel writer Ibn Al-Arabi thought that “a voyage reveals a person’s character: on a journey you get to know yourself”.

I got to know myself particularly well at lunchtime on Wednesday the 1st of October. In Istanbul I had taken the ferry across the Bosphorus to Uskadar and had been persuaded by the wide smile and warm greeting of a Groucho look-alike to enter his shop so that he could give me a haircut. It was to be

the best and most painstakingly administered haircut I have ever had. Never had my nose and ears been so meticulously groomed. The crisis came at precisely one o’clock just as a long open razor was being applied to my sideburns. There was a loud crackle and the local muezzin burst into his agonising call to prayer. Nobody prayed more fervently than I. It was, of course, the God of Welsh Baptists whom I was imploring to steady the hand that was holding that fearsome razor. I had reverted entirely to the persona of the thirteen-year-old who had been baptized in Bethania chapel.

One of the joys of being on holiday is that one can vary one’s identity. One has one’s James Bond, Hornblower, Byron, Nelson, Lawrence of Arabia and Orde Wingate moments. But, of course, one’s Welshness is always there when one wants it. On this summer’s holiday I was rarely allowed to forget it. We had sailed through the Dardanelles and the presence on board of so many Australians had resulted in an extremely moving service being held on the open deck. Anzac, British and Turkish lives were commemorated, the Last Post was played, and a wreath was cast into Suvla Bay. I remembered John Davies’s comment that Gallipoli actually means ‘city of the Celts or Gauls’. The name resonates in the history

of many Welsh families and, of course, in our political history too. The disastrous Dardanelles Campaign forced Churchill out of government and began the unravelling of Asquith’s premiership. It was Gallipoli that brought Lloyd George to the premiership.

We sailed on to the Narrows and to the impressive modern Turkish city of Canakkale. This is a place known to History as Chanak and it was the conflict here between Greece and Turkey that led directly to the fall of Lloyd George in 1922. The Prime Minister had wanted to go to war in support of Greece but nobody else did. The greatest Welshman of modern times was out of power for good, as indeed was Liberalism. It is an astonishing footnote to Empire that the careers of the two greatest British statesmen of the 20th Century were shaped by events in a twenty mile stretch of the beautiful Dardanelles.

I had plenty of company with which to discuss these weighty matters. There was a leading Welsh Liberal peer on board and also a biomedical industrialist, originally from Swansea, and both men wanted to discuss Welsh affairs. We had informal seminars on how to develop Welsh entrepreneurial talent and on how successful Welsh exiles (of whom there are so many) could contribute more directly to Welsh regeneration. At no point did

we discuss contributions to political parties and in the swish Russian resort of Sochi we shunned the various oligarchs who tried to importune us.

There were lighter moments. There was an Aberman on board who was always able to give me the latest Ospreys scores and who instinctively crossed himself when I asked after the Swans and the City. One evening off the Greek islands there was a heated discussion as to whether Talgarth or Aberhonddu was the better choir. In a Yalta palace I met a fellow passenger with whom I had been in grammar school between 1954 and 1957. He asked which primary school I had gone to: I said ‘Romilly’, he replied ‘Holton Road’. And that was more or less that. We were standing in a region that might be about to occasion a new Cold War, but certain fundamental distinctions have to be maintained.

Throughout the trip we took the opportunity to visit the former homes of famous people. At various times we were able to familiarise ourselves with the working and sleeping arrangements of heroes such as Atatürk, Chekhov, Pushkin and most memorably Stalin. “Was it true”, I wondered, “that Stalin stayed in the Bush Hotel, Dowlais in 1906?” I’m afraid it’s a case of ‘once a Welsh historian, always a Welsh historian’.