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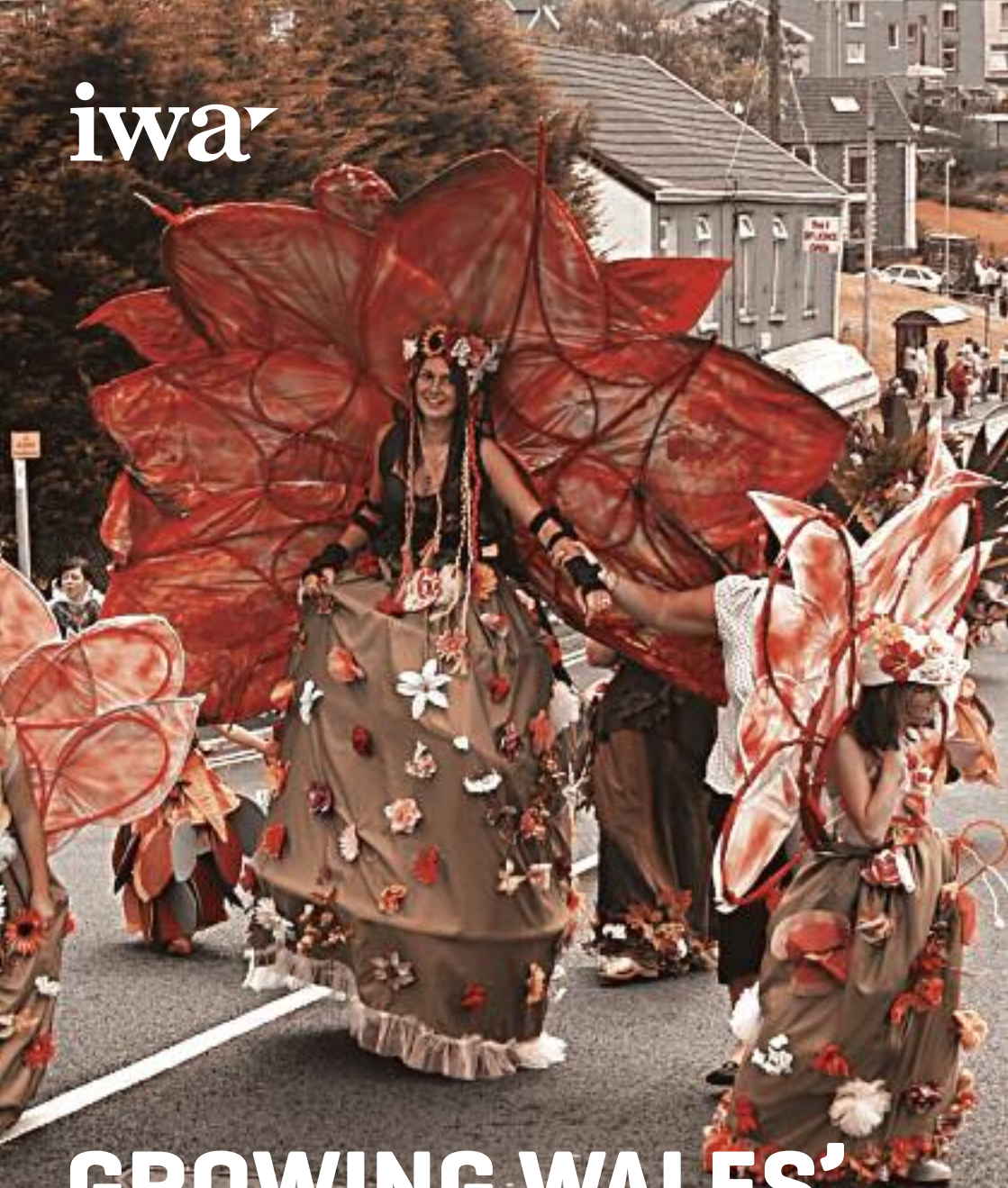

GROWING WALES' CIVIL SOCIETY

edited by John Osmond

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Sue Balsom is Managing Director of FBA in Aberystwyth founded in 1989 and now a leading bilingual branding, design, and communications agency. FBA publications include the annual *Wales Yearbook*, now in its 21st year. Sue was a member of Ofcom's Content Board 2003-10 and has also served at Board level with BBC Wales, the Welsh Development Agency and Finance Wales. As Chair of The Prince's Trust Cymru, she has raised over £1m to help disadvantaged young people. Other charitable work includes being a Trustee at the Centre for Alternative Technology and Artes Mundi. Most recently she served as a member of the independent panel reviewing Bilingual Services in the National Assembly for Wales. In recognition of her achievements, Sue was chosen as Welsh Woman of the Year 2004-5. In 2010 she was appointed Ambassador for Diversity by the Cabinet Office.

Ian Courtney took up his post as Wales Regional Director with Charity Bank in May 2009. Charity Bank is the world's only licensed bank and registered charity. It serves as the development bank for the Third Sector with assets in excess of £70 million. Prior to joining Charity Bank Ian Courtney was the Chief Executive Officer of TM Communications and Media Ltd, a Cardiff based communications agency with clients drawn from the energy, technology, software and investment sectors. Previously he was Director of Communications for Ubiquity Software Corporation, the award winning developer of internet telephony software.

Bethan Darwin was born in Toronto but grew up in the Rhondda Valley. She went to Ysgol Gyfun Rhydfelen and is a fluent Welsh speaker. She studied law at King's College London and trained as a solicitor at Newcastle upon Tyne law firm Dickinson Dees, specialising in employment law and litigation. Following qualification she returned to London, becoming a partner in City firm Orchard before the age of 30. In 1998 she moved back home to Wales and Cardiff firm Palser Grossman. In 2002 Bethan left to set up law firm Darwin Gray from scratch with Donald Gray **www.darwingray.com.** In just eight years Darwin Gray has grown to become a full service commercial law firm with eleven partners and thirty people in total. Darwin Gray is described in the Legal 500 for 2009 as "one of the firms to watch" and "snapping at the heels of the heavyweights." Bethan lectures on the Employment Tribunal Skills and Discrimination Law Course at Cardiff University and is a volunteer at Cardiff Law Centre. She also runs the women's networking group Superwoman which raises funds for various charities through its events. Superwoman has raised almost £30,000 since it was set up in

October 2005; brought out a cookbook in aid of Tenovus in October 2009 and has a website and blog at **www.superwoman.org.uk**. In 2009 she was shortlisted for the South Wales Chamber of Commerce Woman in Business award and for Red Magazine's Red Hot Woman awards in the mentor category. She is listed in the Lawyer Magazine's Hot 100 Lawyers in the UK for 2010. Bethan has two children aged 11 and 5 with her husband David Thompson who is also a solicitor. In her spare time, she writes novels. Her first novel, *Back Home*, was published by Honno in March 2009 and her second, *Two Times Twenty*, in October 2010.

Nick Davies is Chair of Welsh Labour Grassroots which brings together left and centre-left activists in the Welsh Labour Party. He is a Labour Party branch secretary, has twice been a delegate to the Welsh Labour Conference, is a representative on the Welsh Labour's Policy Forum, and was recently elected to Labour's National Policy Forum. He has spoken on radio and television on Welsh and UK politics. With Darren Williams, he is co- author of *Clear Red Water - Welsh Devolution and Socialist Politics*. He lives and works in Swansea.

Mark Drakeford is a Professor of Social Policy and Applied Social Sciences at Cardiff University. Between 2000 and 2010 he was the Cabinet's health and social policy adviser at the Welsh Government and, latterly, head of the First Minister's political office. He has published extensively in the fields of poverty, youth justice and social policy-making in Wales. In May 2011 he will be Labour's candidate in the Cardiff West constituency, at the National Assembly elections.

Simon Harris has been Wales Director of Business in the Community since November 2010. Prior to that he was Chief Executive of the Wales Co-operative Centre, which he joined in 1992, from 2004. The Co-operative Centre provides business support and training services to both new and existing co-operatives throughout Wales and is the largest co-operative development agency in the UK, employing 50 members of staff and having an annual turnover of approx £4 million. The Centre delivers a number of contracts on behalf of the Welsh Government including a Financial Inclusion Project (also funded through the Department for Work and Pensions), Digital Inclusion through its Communities 2.0 support, Fair trade and Social Enterprise Development.

Dylan Iorwerth is a journalist who has been forced into the business world in order to create new opportunities. He is Managing Editor of the Welsh language weekly *Golwg* and its associated website *Golwg 360*, companies that try to make a profit to support their products rather than the other way round. A former junior reporter with the Wrexham Leader, he was co-founder of *Sylw* a Welsh language

Sunday newspaper (14 issues), and a lobby correspondent in Westminster for the Welsh broadcast media. *Golwg* is holding its circulation and the on-line news service *Golwg 360* is now attracting about 100,000 visits a month.

David Melding has been a member of the National Assembly since its creation in 1999. Before entering politics he worked in the voluntary (not for profit) sector and was the Welsh director of a major UK campaigning charity. Though his Party, the Conservatives, initially opposed the establishment of the National Assembly and Scottish Parliament, David has argued the case for a federal Britain as the best way forward. He is the author of *Will Britain Survive Beyond 2020?*, published by the IWA in 2009. David has chaired several committees in the National Assembly: Standards of Conduct (2000-2002), Health and Social Services (2003-2006), Legislation (2006-2007), and the Audit Committee (2007-2009). As the Welsh Conservative Group's Director of Policy he was responsible for producing the Assembly Manifestos in 2003 and 2007. He is also the Party's lead spokesman on Economic Development. Other policy interests include children's issues (especially Looked After Children), social enterprises and co-operatives, and mental health. He is also a keen campaigner on heritage and the built environment and takes a particular interest in the Victorian-Edwardian architecture of Cardiff. Outside the Assembly, David enjoys walking, swimming and cycling. He was educated at Cardiff University (BscEcon in politics) and the College of William and Mary, Virginia, USA (MA in government).

Anne Meikle is the head of WWF Cymru. Backed by the policy and communications resources of the Welsh staff and UK organisations, she seeks to influence decision-makers on issues such as marine legislation, sustainable development and climate change. Anne spends much of her free time riding her horse close to her home on the edge of Caerphilly.

Helen Nelson is the Executive Director of Cynnal Cymru – Sustain Wales, a not-for-profit organisation promoting debate and action on sustainability and advising government. Helen is a passionate advocate for sustainable development and helps initiate change through practical programs, engagement campaigns and public policy. Before working at Cynnal Cymru – Sustain Wales, Helen received a Geography BSc and MSc at Aberystwyth University and worked for seven years on rural community development projects in mid Wales. Helen enjoys walking in the Gower peninsular, reading, and spending time with family and friends.

Anna Nicholl was a Commissioner on the Inquiry into the Future of Civil Society in UK and Ireland established by the Carnegie UK Trust. She is currently working

as a Special Adviser to the Plaid Cymru Ministers within the Welsh Government. Before that she was Director of Policy and Communications at the Welsh Refugee Council. She is a founder member of a community group called Cardiff Refugee and Asylum Seeker Welcome. Anna first developed an interest in civil society when working on the CIVICUS Civil Society Index for Wales whilst working with Welsh Council for Voluntary Action.

Helen Northmore is a senior manager at the Energy Saving Trust with over a decade of experience working in public and political life in Wales. She has been leading the Energy Saving Trust's programmes and profile in Wales since 2006, providing working links with many Welsh organisations. A Climate Change Commissioner, Chair of the Existing Homes Alliance Cymru Wales, and a member of the Fuel Poverty Advisory Group and many other bodies, Helen represents and promotes Energy Saving Trust activities, including launching the Energy Saving Trust advice centre and securing funding for local authority and community programmes.

John Osmond is Director of the Institute of Welsh Affairs, and has written widely on Welsh politics, culture, and devolution. His books include *Crossing the Rubicon: Coalition Politics Welsh Style* (IWA, 2007); *Birth of Welsh Democracy: The First Term of the National Assembly for Wales* (Editor, IWA, 2003); and *Welsh Europeans* (Seren, 1997). A former journalist and television producer, he is a Fellow of the University of Wales Institute, Cardiff, and has been awarded an Honorary MA by the University of Wales.

John Richards has been the Manager of Gateway Credit Union based in Pontypool since 2004 and is a member of the Wales Credit Union Liaison Committee. For the previous 30 years he was involved in the music business owning retail shops, a mail order business and a record label. In a break from his own business in the late 1980s he volunteered with VSO in Sri Lanka as a small business adviser.

Molly Scott Cato is a Reader in Green Economics at Cardiff School of Management and Director of Cardiff Institute for Co-operative Studies at UWIC. In 2006 she published *Market, Schmarket: Building the Post-Capitalist Economy*. Her latest book *Green Economics: An Introduction to Theory, Policy and Practice* was published by Earthscan in 2009. She has also written widely on themes concerned with mutualism, social enterprise, policy responses to climate change, banking and finance, and local economies. Molly is an active member of the Green Party, standing for election at all levels and currently speaking for the Party

on economic issues. She is a Director of Transition Stroud and co-ordinates its Lifestyles and Livelihoods working group, with whom she launched a local currency in Stroud in 2009. She is also on the core group of Stroud Community Agriculture and is a Director of Stroud Common Wealth.

Martin Shipton has been Chief Reporter of the Western Mail since 2002, before which he held the equivalent post with Wales on Sunday. He was educated at school in London, at the University of York, where he read English and Related Literature, and at University College, Cardiff, where he obtained a postgraduate diploma in media studies. He chairs the Cardiff and South East Wales branch of the National Union of Journalists. His book on the first ten years of the National Assembly, *Poor Man's Parliament*, was published by Seren in early 2011.

Lee Waters is Director of Sustrans Cymru. He Chairs the Project Board of the £17 Million Valleys Cycle Network and sits on the Welsh Government's Walking and Cycling Steering Group. He is also Chair of the 25 strong Sustainable Transport Cymru coalition. He is a former Chief Political Correspondent of ITV Wales and a BBC Producer. He has worked for politicians in Cardiff Bay, Westminster and Washington D.C. As a volunteer he is Chair of the Governors of Barry Island Primary School.

Kirsty Williams was appointed to the National Assembly Advisory Group following the Assembly Referendum in 1997 by the then Secretary of State for Wales Ron Davies. She was elected as the Welsh Liberal Democrats Assembly Member for Brecon and Radnorshire in 1999. She became the party's health spokesperson and Chair of the Assembly's Health and Social Services Committee 1999-2003. In the 2003 and 2007 elections, Kirsty successfully defended Brecon and Radnorshire, on each occasion increasing her share of the vote. Kirsty was elected as Leader of the Welsh Liberal Democrats in December 2008 with 60 per cent of the votes cast.

Caryl Wyn-Jones was born and raised on a rural farm in the Conwy valley. She has a Law and Politics degree from Cardiff University. Her career started working for S4C's legal unit and now Caryl works for Plaid Cymru as the Office Manager at the headquarters. Her first formal political position started as the Chair of CymruX – Young Plaid. She is also active in her local area of Riverside helping residents with various issues as well as being a governor in a local primary school. In 2010 Caryl stood as Plaid Cymru's parliamentary candidate in the Vale of Clwyd. She was the youngest female parliamentary candidate in Wales.

Preface

At one of the seminars held as part of this project someone asked, "What is civil society?" For a moment there was a nonplussed silence. However, the answer was swiftly found in the discussion that followed: "Civil society occupies the space between the state and the market." What became clear during this project was that in Wales, perhaps more than many other parts of the UK, civil society occupies a very large space indeed. For example, as Simon Harris points out in his contribution, the Welsh co-operative economy, which includes everything from farming co-operatives and credit unions to employee-owned businesses and community co-operatives that run village shops and pubs, is worth around £1 billion pounds and employs more than 5,000 people.

And, as Helen Nelson notes, there are more than 30,000 third sector organisations in Wales while more than 1.5 million people volunteer. We have 5,000 town and community councillors. There are 1,809 schools, of which 1,500 are already registered as eco-schools. All these are part of civil society, as are our public service broadcasting institutions, BBC Wales and S4C, and also our political parties.

In his contribution David Melding remarks that when he first became involved in putting together policy for his party's manifesto in the early 2000s, engagement with the third sector, where civil society organisations reside, was limited and its skills in pushing ideas and new thinking were underdeveloped. Since then, however, the situation has been transformed. In the run-up to the 2011 Assembly election all the political parties received well over 100 written responses from the third sector. As Melding says, "We have held over 50 follow-up meetings at which the sector has lobbied skillfully and with great purpose. Ideas are more practical and focused and the sector is generally comfortable about influencing the political process."

The purpose of the project reported on here was to promote a debate around the key findings of the Carnegie Trusts' Commission of an Inquiry into the Future of Civil Society in the UK and Ireland, *Making Good Society*, that was published in March 2010. The aim was to ask how the Carnegie findings relate to the emergence of Welsh civil society following a decade of devolution.

Wales should be a very relevant testing ground for the messages contained in the Carnegie Trust's report. Prior to devolution it could be argued that there was a civil society *in Wales*, but not a *Welsh civil society*. The coming of the National

Assembly was about the creation of a new democracy in Wales and a new civil society to make the democracy work. As Rhodri Morgan, First Minister during the first 10 years of the National Assembly, has put it:

> "As well as horizontal devolution – spreading power and responsibility more widely – we have to have vertical devolution as well. I have sometimes tried to sum up this dimension by describing our devolution settlement as a shift from *crachach to gwerin*, from government by a self-replicating élite to a new engagement with a far wider and more representative group of people, women and men, people from north and south Wales, Welsh speakers and not, black people as well as white, and so on."[1]

So during October and November 2010, a little over a decade into the Welsh devolution experiment, the IWA organised four seminars in the Pierhead Building in Cardiff Bay which is part of the National Assembly's estate. Each seminar followed one the Carnegie report's four main chapters, and each was organised in conjunction with another Welsh civil society organisation closely engaged with the theme, as follows:

- Growing a more civil economy – with the Wales Co-operative Centre.
- Transition to a low carbon economy – with Cynnal Cymru – Sustain Wales.
- Democratising media ownership and content – with NUJ Wales.
- Growing participatory and deliberative democracy – with Cymru Yfory-Tomorrow's Wales.

In each case we invited four speakers to engage with the contents of the Carnegie Commission's inquiry. What they had to say forms the kernel of this report. In addition we asked Anna Nicholl, one of the inquiry's Commissioners and now a Special Advisor with the Welsh Government, to provide an introductory overview, and Professor Mark Drakeford, of Cardiff University, to provide a commentary by way of a conclusion. Through her role with the Commission Anna Nicholl has a direct insight into the debate as it affects the UK as a whole. For his part Professor Drakeford has made a study of the Welsh dimension of the debate - as a former special adviser to former First Minister Rhodri Morgan, he contributed a chapter entitled *Infiltration or Incorporation? The Voluntary Sector and Civil Society in Post Devolution Wales* to the collection *Civil Society in Wales*, published by the University of Wales Press in 2006.

The Institute is grateful to all who participated in what turned out to be an

engaging and highly focused series of discussions. In October 1998, just ahead of the first elections to the National Assembly, I concluded a pamphlet about the coming new politics in Wales by claiming they were about creating a new democracy "and a new civil society to make the democracy work."[2] The papers published here provide evidence that what has now become *Welsh civil society* is engaging with our still fledgling democracy in ways that are stronger than I dared hope a decade ago.

John Osmond
Director, IWA
January 2011

Introduction

‘The future is here, it’s just not evenly distributed’

ANNA NICHOLL

Across the UK and Ireland society has been reeling from the triple whammy of economic, political and environmental crises. Alongside this we are experiencing a number of social difficulties including a more individualistic society with greater feelings of isolation and disconnection. There is a sense that change is needed and now is an opportunity to reshape and redirect our society. In Wales, after just ten years of devolution, our democratic institutions are young and still developing. We are on the verge of another referendum, making the relationship of our civil society with democracy all the more pertinent.

As one of the participants in the seminars highlighted, the definition of ‘civil society’ is not always easy. The Commission decided on a working definition that was three dimensional: civil society as associational life, as a ‘good’ society, and as arenas for public deliberation. Civil society as a ‘good’ society is central to the report. This is not just about how groups work. It is also about positive values, those we believe are needed to underpin a civilised society. It is unashamed in its promotion of social justice, mutuality, solidarity, freedom and respect for nature – values that are often the motivation of civil society organisations.

These values are reflected in the contributions to this publication. The contributions provide a sense of hope that we can create a good society and a series of positive visions about how we can do this. There is a common desire to strive for a better society, and practical proposals on how we can gain multiple benefits for our environment, economy and society. It’s hard, but possible. A number of contributions stress that big steps forward are not so far out of reach, or as Simon Harris put is, “a new order can be built on existing infrastructure”. This supports the Commission’s emphasis on futures thinking. As the novelist William Gibson says “The future is already here, it’s just not evenly distributed”.[3] Perhaps that sense of hope is least obvious within the section on the media. It was less clear to me the extent to which the technological revolution within the media might support us to achieve a better society.

By looking at how civil society can contribute to some of the most pressing

issues facing society today, the report avoids focussing exclusively on relationships between civil society, the state and business. However, these relationships are important and are something a number of contributors touch on. The report argues clearly that it's not about either or. The evidence doesn't support the idea that a strong civil society cannot co-exist with a strong government. On the contrary, often civil society flourishes with the support of a strong government, while a strong civil society is important to support effective government. The contributors in the chapter on democracy highlight how Welsh civil society and Welsh democracy have in many ways grown together over the past decade. A stronger civil society still will be needed should there be a Yes vote in the referendum.

In her contribution on moving to a low carbon economy, Anne Meikle argues that civil society's role is so important because "democracy is not good at this kind of thing". I would say that civil society is part of the democratic process and plays a crucial role in creating the space for politicians to make those difficult decisions.

Contributors to the chapter on the civil economy set out how key pieces of legislation led directly to the constriction of mutuals and credit unions. They hope that the UK Government will now introduce amendments to the Credit Union Act to encourage more activity. In her presentation, Helen Nelson highlighted how some communities have the energy and desire to develop community renewable energy projects but are thwarted by out-of-date government bureaucracy and barriers.

Of course, it's not just about the relationship with government. Several contributions highlight the importance of civil society working with the private sector which is an important source of finance. There's great potential for more organisations to tap into this resource. Interestingly, the discussions on a low carbon society also highlighted how civil society groups can form powerful coalitions with big business to campaign jointly on issues of common concern.

Several contributors picked up on the links between the desire to strengthen civil society and Cameron's 'Big Society'. In many ways, the concept of a 'Big Society' still appears embryonic and it's unclear what the impact will be. This is particularly the case as it sits alongside moves to create a smaller state with a Comprehensive Spending Review that introduced the biggest cuts to public spend since the Second World War. Speakers raised concerns about the ability of civil society to grow and strengthen in the midst of public spending cuts. The Commission's report is clear that it believes civil society needs investment if it is to flourish.

The cuts to public spending might well have more of an impact on civil society than the concept of a 'Big Society'. The first decade of devolution saw a constant increase in public spending, something which civil society, and particularly the voluntary sector benefited from significantly. But it also led to concerns about the independence of the sector. Many saw the relationship as simply too cosy. To what extent could the voluntary sector really dissent from the views of those who provided their funding? There is potential for cuts in public spend to lead to deeper questioning about government funding of civil society and potentially a maturing of the relationship between civil society and government in Wales.

One area for investment that was picked up in all the sessions was in education and skills and research and development. If we are to change our future for the better, we need to invest in our citizens and our leaders across civil society. We need to give our communities the skills and confidence to participate, to engage and to challenge. Investing in our leaders in civil society will bring benefits across society. People do not operate just in civil society or politics or business and the knowledge and confidence that they can bring about change will have wider benefits. Participants called for schools to give people the skills they need to be good citizens and for universities to work more with civil society to develop ideas and practical implementation.

There is a strong history of civil society activity in many of the areas where the Commission suggests action is needed for a better society. The contributions to this publication highlight how many of the models for achieving this are already in action across different parts of Wales, and underline their enthusiasm for achieving change. However, the ambition for a civil society that the report sets out would be radically different. It would need investment and support to develop. Do we have the courage to take the opportunities presented to shift our society in this direction? We will find out in the manifestos that are being written for the 2011 Assembly elections, the tenor of the media debates and the actions of civil society over the coming years.

PART 1

Growing a more civil economy

Chapter 1

Hot, flat and crowded

MOLLY SCOTT CATO

It is notable that in 2008 Thomas Friedman replaced his 2005 paean to global capitalism *The World is Flat* with a more anxious sequel *Hot, Flat and Crowded*.[4] Both sold in their millions whereas my books only sell into thousands. This indicates the power of the hegemonic ideology of globalisation. I want to turn that on its head, by seeing value in the threats that Friedman identifies.

As a green economist, I have been on an interesting journey in recent years, from the situation where people asked me what that meant, to hearing President Obama lauding the green economy as the solution to a financial crisis. However, a real green economy would be organised differently from the global capitalist economy, which is wasteful of resources. A green economy would be organised along mutual lines and on the basis of local areas or bioregions.

It is a founding principle of green economics that it is energy, rather than money, that is the scarcest resource. Sometime back in the 18th Century mainstream economics forgot about land. But if you think of 'land' as 'the environment', then this may help to explain why the environment has suffered so badly since then. Wales is well-endowed with all the resources that matter in a green economy: land, water and renewable energy sources and would thrive within the bioregional paradigm.

Bioregions are units defined by natural boundaries such as mountain ranges and watersheds, rather than political boundaries. They are natural provisioning units which, within a green economy, would be largely self-reliant in terms of basic resources and in terms of their wastes.[5] This is not 'the end of trade' but it would be a world in which trade was in goods and services that were not available within the bioregion, because of specialism or climatic conditions, a system I refer to as 'trade subsidiarity'.

When Friedman wrote his first book, he described ten 'flatteners' that had facilitated the rapid pace of globalisation. They included things such as off-shoring, the rise of the internet, and the fall of the Berlin Wall. But his idea of 'flat' had no concern for equality, which has increased as a result of globalisation, both within and between countries. A civil economy requires that

we take equality seriously. One way we can do this is through moving more economic activity into the co-operative sector.

In the globalisation paradigm, the flat world is a monocultural wilderness, where, following the theory of comparative advantage, a country like Malaysia might produce only palm oil, and all the diversity of rice species is annihilated to be replaced with one Supreme RiceTM. By contrast, in the new economy a flat world is one of greater equality, as exemplified by worker co-operatives.

Suma Wholefoods was founded in 1975 and still runs as a worker co-operative. Employees share work tasks, so that they might be in the freezer one month and in the board-room the next. They also have an equal pay structure. This is what a really flat economy would look like.

The 'hotness' and the 'flatness' that Friedman is concerned about are intrinsically linked, since equality and sustainability are two sides of the same coin. While the economy is expanding, and using more resources and producing more waste to do so, questions about allocation can be sidelined. Once we realise the planet is limited, how we share out the resources becomes a much more salient issue. This is a genuine example of synergy, since by achieving sustainablity we can also achieve equality, which will increase social well-being.[6]

Friedman's concern for the crowded nature of the planet is intriguing, given that the economic model of globalisation relies on the renting (or appropriation) of labour (and land) in the poorer countries of the world. Arrivistes environmentalists often portray people as 'the problem', especially people who have the temerity to have children because their personal circumstances are uncertain and their local social security provision inadequate. This is to miss the point, since it is not the number of people that really matters, but their level of consumption. So achieving equality at a lower material standard of living may be necessary for citizens across the globe.

Meanwhile the technofixes that proponents of globalisation hope for are themselves energy-intensive, in terms of development and implementation, and also lead to the problem of rebound effects, where energy saving in the short term only leads to higher use and therefore higher energy consumption in the long term.[7]

In a green economy the re-localisation of economies, the focus on personal rather than technological progress, and the reduced availability of fossil energy will mean a reappraisal of the value of human labour, even perhaps what Simon

Fairlie has called ‘the rehabilitation of manual labour’.

My experience as a green economist in Stroud suggests that the new economy will be far more civil than the economy we live in today. We use the word ‘conviviality’ to express this highly social, interactive, mutual approach to provisioning systems which grow up naturally as we move towards energy-efficient, local and bioregional economies. It can be exhausting and civic events are frequently crowded, but we rarely feel flattened politically or economically.

Chapter 2

Tide turning for co-operatives and mutuals

SIMON HARRIS

The Welsh co-operative economy is part of a global movement. There are more than 800 million members of co-operatives in the world, which between them employ over 100 million people. In Wales the co-operative economy is worth just under £1 billion pounds and employs more than 5,000 people. Enterprises include everything from farming co-operatives and credit unions to employee owned businesses and community co-operatives that run village shops and pubs.

The tide could be turning towards greater enthusiasm for looking at how things can be done differently in our economy. People not normally associated with a mutual way of thinking – in the private and public sectors and in government – are showing a growing interest in co-operatives and social enterprises.

Co-operatives, mutuals and social enterprises can help restore a balance between the drive for global economic growth and the needs of the real economy, of families and the community. In the face of the collapse of the old financial systems, there does exist a network of activity that can support a new mixed economy. It can contribute to a dynamic society by plugging the gaps left by those who seem to have lost sight of the real values of their existence. The co-operative and mutual sectors provide a sound base to restore public confidence in our financial services.

We should use these changing times to our advantage and not only consider what short term measures can be taken to tackle the recession, but also the longer term sustainability of our solutions. We must not simply consider more of the same. A new order can be built on an existing infrastructure. But if this is to happen we will need greater awareness, understanding and support.

Personal savings have been flowing into mutuals, including the Co-operative Bank and the Welsh Mutual Building Societies, and credit unions. This is because they operate a less risky financial model. They only lend their own members deposits and so are less exposed to the speculators. They focus on providing the services the end user needs – not a service they have no control over such as

lending money on to third parties with no idea of their identity.

Whilst banks are underwritten by government to provide security, mutuals are more secure by design. We should encourage saving in credit unions and loans from credit unions which provide local solutions to local problems. In credit unions, mutuals and social lenders such as the Charity Bank and Co-operative and Community Finance, we have finance instruments that can support individuals and small businesses through loans, savings, debt advice and financial literacy.

Where small business is traditionally structured to focus on returns for the shareholder and will normally be driven by profit maximisation, a co-operative is able to focus on wider economic, social and environmental benefit. Co-operatives are local businesses providing local solutions.

Co-operatives and mutuals are accountable to their stakeholders and directly involve customers, the community and employees. As such, social ownership of this nature can ensure the business addresses the wider social and environmental issues that businesses should be addressing. They are the vehicles that can directly help grow Wales's civil economy. We want to see more support for businesses that focus on improving performance in terms of a triple bottom line such as:

- Encouraging recruitment of the unemployed, the economically inactive and social disadvantaged.
- Engaging with volunteers to bring them into economic activity through work experience and training which can lead to employment.
- Promoting recycling to achieve financial returns as well as a better environment.

Lifestyle business may not be as attractive to investors as other growth sectors, but in supporting them, important local services can be maintained and, in times of economic downturn, the jobs are as important. If done properly the long term benefit resulting from existing businesses being better businesses can be as important as the short term crisis management we also have to consider.

Can we do more by taking a social investment approach to public services? By investing public spending into local business with wider social and environmental aims and policies, longer term financial gain can be achieved. Substantial social benefit can be gained where a local business with social aims,

may purchase down the chain socially themselves which could mean more ethical food supply (Fair trade), more local food supply (local farmers supported), local business services and more local employment. By focusing on contracting with better businesses and not just growing businesses, longer term gain can be achieved. Rural village stores and post offices are an obvious focus for co-operative ventures.

Can we reinvest some of the £4 billion Welsh public sector spend through procurement contracts that realistically and perhaps even selfishly (for Wales) deliver social clauses? The Wales Co-operative Centre is keen to develop co-operative consortia - bringing together small firms to deliver large projects. For example, in working with the new housing mutuals and therefore recognising a natural synergy, co-operative consortia can allow the SMEs that dominate the Welsh building sector to bid for the large contracts from the stock transfer bodies. Together with ensuring that there are social clauses in public sector contracts, this will help keep both employment and profits in Wales.

There should be increased support for employee ownership and employee control within business. Applying mutual thinking to business leads to local ownership, social well being, a focus on the community and family, environmental sustainability. All these are features of a well balanced, civil society and economy. With a clear focus on the economic bottom line mutual businesses can make a significant contribution to achieving long term sustainability of the Welsh economy.

There is some merit in the broad idea of David Cameron's Big Society, although detail is lacking. The voluntary sector cannot simply pick up the delivery of public service. Without investment, communities cannot achieve on their own.

More can be done to engage the citizen and communities and gain more involvement in setting local priorities, designing and delivering public service. But it has to be strategic, planned and deliverable – which means cash. With great pressure to return to old ways (are we already seeing evidence of this with the banks?) and the worrying signs coming from Westminster on the austerity measures, will we be able to grow our civil society? In business we will have a better chance if we follow the route that has been marked out by our mutual and co-operative social enterprises.

Chapter 3

Trust and mutuality

IAN COURTNEY

In his Chairman's Forward to the Carnegie Commission's report *Making Good Society* Geoff Mulgan observes that civil society has lost ground in areas like finance where once it was strong. There are numerous reasons for this, but one important factor was part of the legislative programme that took place during 1986 and 1987, which included the Banking Act, the Financial Services Act and the Building Societies Act.

Together these laid the foundations for the structural changes in the financial markets known at the time as the 'Big Bang'. In the longer term they also led to an erosion of the distinctions between banks and building societies. In turn that hastened the demise of the dominance of mutuality in large parts of the financial services sector, in particular amongst the building societies.

This brings us neatly to the present day. No doubt we all have our own thoughts about the events leading up to the 'Crunch', the closing down of the capital markets, the socialisation of some Banks' bad debt, and the injection of vast sums of taxes purely to keep the system oiled. Small wonder the public's trust in bankers is so fragile. The Financial Times journalist Gillian Tett who was one of the few to detect the makings of the 'Crunch', reflected:

> "Bankers like to imagine that money and the profit motive is as universal as gravity. They think it's basically a given and they think it's completely a-personal. Well it's not. What they do in finance is all about culture and interaction." [8]

Business has always had an important social dimension to it. As with so many human relationships the most successful ones are founded on trust. Together with a strong ethical attachment this represents the foundations of the Charity Bank's activities. We are a young organisation, founded in 2001 to act as the development bank for the UK's Third Sector. The Charity Bank is unique in being the world's only registered charity licensed as a bank, and regulated jointly by the Financial Services Authority and the Charity Commission. Although it is not actually one, the Bank exhibits many of the characteristics of a mutual organisation. Foremost among these are our commitments to transparency in

our dealings with our lenders and borrowers, and the recycling of trading surpluses for the benefit of local communities.

Our approach to third sector is promiscuous. By this I mean we hold no special brief for any particular part of the sector. In Wales, for example, we have customers that range from sports clubs and arts organisations to health and social care projects dealing with substance abuse.

The most pressing issue facing the sector is its ability to flourish in the face of a combination of weak growth prospects and public spending cuts. Both are occurring against a background of declining personal donations and a weakening engagement from the corporate sector. In Wales the sector is also fragmented and amongst the most highly geared in the UK towards publicly funded grants.

If the Welsh civil economy is to prosper three issues need addressing:

1. Scale The Charity Bank believes that social change is possible by the creation of social capital. If social enterprises and charities are to be effective they need appropriate resources to nurture and implement their strategies. Size in itself may not be appropriate for every organisation, but it is nonetheless clear that the bigger an organisation, the greater the impact that can be created. To fulfil its potential the sector must address the challenge of scaling up. To date significant use of social enterprise models to access investment in public services has been restricted to social housing and water services. There will be inevitable pressure for changes in public service provision. Leisure and recreation, the arts and culture, social care and transport are all capable of being transformed by a strong dose of mutuality. One necessary though not sufficient condition for this process is the availability of development capital in the form of sustainable funding.

2. Public Policy and Regulation The state can have a major influence from two directions. Firstly it can shape and create markets. This can be achieved via two policy levers: (i) direct intervention through the development of public policies; and (ii) the less direct route of regulatory practices. The second can have enormous influence in supporting and encouraging the principles of mutuality and social enterprise. One way in which these two dimensions can combine to encourage a civil economy is through public procurement.

3. Liquidity Charity Bank's shareholder register includes charitable foundations such as the Charities Aid Foundation, the Baring Foundation, the Esmée Fairbairn Foundation and the Vodafone Foundation. The Bank's attraction for

these shareholders is that our loans recycle wealth and money since they are repayable, in contrast with the one-off transfer of funds in the form of grants. Whilst there needs to be a variety of funding, the attraction of the Charity Bank model of loan capital provision, especially when applied alongside publicly funded grants, is that it leverages the pool of funds for the whole sector.

Growing the Welsh civil economy faces some stiff challenges in the short term. Yet many of these challenges are the direct consequence of structures and behaviour that make enduring human values, like trust and mutuality, more relevant than ever.

Chapter 4

An alternative to the doorstep lenders

JOHN RICHARDS

Although credit unions in Wales have for many years been contributing to "growing a more civil economy" they have not yet reached a size that can really change the financial landscape on our High Streets. However, with support from the Welsh Government their membership has grown from approximately 11,000 in 2000 to 42,000 in 2007, which is a significant achievement by any standards.

At June 2010 there were 27 credit unions in Wales ranging in size from 200 to 4,500 members. They had a total combined adult and junior membership of around 52,000. Their savings were approximately £20 million and their total assets were around £23 million.

Only seven of our credit unions are financially self-sufficient. The remaining 20 rely on the Welsh Government for revenue support. It is important, therefore, that the Government has secured £3.4 million for a second phase of a credit union funding programme that runs from 2010-2013. Many credit unions have also received support from other sources, most notably local councils, housing associations, the Department of Work and Pensions via the Growth Fund project and also the Big Lottery.

Despite this credit unions have never received any operational capital funding, except for a limited period from the Department of Work and Pensions. Consequently. All the money they lend is other members savings.

It is likely that the Welsh Government's funding will come to an end after the current contracts finish in 2013. Credit Unions should therefore have a business plan in place that will enable them to reach sustainability by then, or at least have identified some other source of revenue support. A sustainable credit union will have at least six characteristics:

1. It will offer a range of competitive products and services; a mix of adult savings accounts, such as regular accounts, notice accounts and Christmas accounts; and accounts for junior savers, including regular accounts and Child Trust funds. All these savings accounts will pay an attractive dividend or interest rate.

2. It will have a lending policy that will attract customers from all income levels. It will offer loans that can compete with the doorstep lenders in terms of amount, say from £50, but are also good value when compared to the banks for higher amounts, say to £15,000.

3. It will have a banking platform to allow members to pay wages, benefits, and to set up direct debits into and from their credit union accounts.

4. It will be run by a mix of paid staff and volunteers, be well regulated, with adequate reserves and have a stable and strategically minded Board. It will also have suitably resourced Treasury and Internal Audit departments to ensure tight fiscal control. The business plan will ensure it stays focused and be able to make adequate surpluses. It will project itself as professional, local and mutual and have at least a part time, five day office presence in most large towns in its area of operation (known as its common bond). In addition it will have small volunteer-run collection points in most of its smaller communities.

5. It will be playing a role in regeneration, lending to small business, providing money advice, financing or supporting community regeneration projects and training and developing volunteers into employment.

6. It will be in meaningful partnerships with local councils and housing associations.

The size of a self sustaining credit union is more difficult to predict. A lot will depend on the size of the area it covers, its common bond, and whether this is largely rural or urban. In my view it will need a minimum membership of around 4,000 and a common bond containing a population of at least 200,000.

The whole of Wales is now covered by credit unions, but large areas are still without a recognizable credit union presence. Member numbers are increasing, achieving an average 19 per cent growth between 2006 and 2009. As well as increasing their presence in their own areas some are also expanding their bonds into areas already occupied by other credit unions.

The Welsh Government has set a target of 5 per cent of the population being active members of a credit union by 2020. That's roughly 150,000 people, which is three times greater than the current membership total. This will only be achieved if Credit unions increase their rate of expansion.

Changes to the legislation will help. In early 2011 the UK Coalition government will hopefully vote through a Legislative Reform Order to the Credit union Act 1979. This first major revision of the Act will change the way Credit unions can do business, by:

- Allowing the creation of interest bearing savings accounts instead of rewarding savers by retrospective dividends.
- Slackening the restrictions on what constitutes a common bond allowing Credit unions to grow more easily
- Enabling non incorporated bodies the opportunity to open accounts, such as community groups and savers clubs.

These changes should allow far greater opportunities to create competitive saving products, especially for group members. In turn that should help raise the capital needed to enable credit unions to grow at a much faster rate than is currently being achieved.

Increasing member access is also vital. The doorstep lenders that proliferate do so mainly because they are so easy to access. Their customers need never leave the house, but simply wait for the knock on the door and pay in cash. Credit unions need to be as flexible as possible in getting money to and from low income, unbanked members.

Introducing a banking platform will also be crucial in making credit unions attractive to a wider range of potential members. The option of members paying their salaries or benefits into their credit union account will be a huge step forward.

Sharing back office functions to increase efficiency will become more commonplace. My own credit union already shares a debt recovery officer and an accountant with three other local credit unions, something we currently cannot afford to do individually.

Mergers are another way of increasing efficiency and several have occurred through the years. The latest is happening in north Wales where five credit unions are likely to merge in the coming year. The process has proved protracted and not without problems. However, each credit union has taken the needs of the whole of north Wales into account in reaching their decision. The enlarged credit union will have retained the financial, material, and human assets of all the merging unions and, at the same time, be able to present a uniform image across the whole of the region.

The eventual credit union structure in Wales is difficult to predict, but I would be surprised if there were more than 15 in five years time. By then my hope is that credit unions will be bigger, stronger and more visible. As a result the community will better understand that they are financial mutuals that offer a low cost alternative to the doorstep lenders and a competitive, ethical alternative to the banks.

PART 2

Transition to a low carbon economy

Chapter 5

I will, if you will

ANNE MEIKLE

In Wales we are using nearly three times our fair share of the resources on the planet. WWF Cymru's report *One Planet Wales,* published in 2007, discovered that if everyone in the world consumed natural resources and generated carbon dioxide at the rate we do in Wales, we would need three planets to support us. It concludes that we must cut Wales' footprint by 75 per cent by 2050 in order to live within our fair share of the planet's resources. It warns that if current trends and existing policies are followed Wales' ecological footprint will increase by 30 per cent mainly due to growth in air travel and the food and drink sector.

More than half of our ecological footprint comes from carbon emissions and it is growing. The latest figures show that, looking only at the greenhouse gases we produce within Wales, these have reduced by nearly 10 per cent since 1990. Unfortunately, in that same period, our carbon footprint (that is, the amount of emissions we are responsible for across the whole world) has *increased* by 7 per cent. That means that it is the goods we buy from countries such as China and Brazil is fuelling the increasing emissions.

In line with many of the Carnegie Commission's recommendations, WWF Cymru aim to exert influence at the following levels:

1. **Global Governance** This arena includes Earth Summits, such as those held at Copenhagen and Cancun, and institutions like the European Union. We work collectively as a network, and in alliances at all the global summits. We also need to influence national Governments and the Welsh Government is part of this.

   This is a very important role for civil society, because, as we know democracy is not good at this kind of thing. Politicians work to four year time frames and tend to focus on actions that yield short term results. They are also frightened of leading too much. Politicians fear being too far ahead of public opinion since, if they are, they may not get re-elected. We, in civil society, need to give them the support and political courage to make decisions for the long term. We need to be making the case for change and changing public opinion.

2. **Major global finance institutions** Three of the top 5 biggest banks in the world are Chinese. The growth of the Chinese economy means these banks and their investment policies have major global impacts. WWF influences these investors to look at the long term sustainability of their investments. Unsustainable resource use is a business risk, which they increasingly recognise.

   Similarly, we have worked with Fairpensions and others to mobilise shareholders on the negative impacts of some Pension fund investments, for example, in extracting oil from Canada's tar sands.

3. **Corporate influence** WWF work with many large corporations to get them to use their influence with Governments on policy matters. Insurance companies are natural allies on climate change as they are very concerned at the increasing costs of adapting to climate change and how these costs rise the longer we delay taking action to stop a dangerous rise in global temperatures. In October 2010 30 major companies wrote to the EU asking for a commitment to 30 per cent greenhouse gas reductions by 2020.

In Wales we have cross party political commitment that by 2020 we will reduce greenhouse gases by 40 per cent compared with 1990. Unfortunately in the 20 years since 1990 we have only managed a little short of 10 per cent. By 2050, we need to make it to cuts of at least 80 per cent. That will mean a huge cultural change in the way we live. We will have to fly less, drive less, and eat less meat and dairy foods.

Such behaviour change on this scale is a major challenge. In October 2010 WWF published its biennial *Living Planet* report. This looked at the consequences if the whole world moved to eating the Italians' diet, which is similar to ours. With the projected increases in the world's population, we could not produce enough food to satisfy this diet, even if we cut down all the world's forests.

This reality requires a whole new set of cultural norms. And this is needed in a time frame that is not usual. Such changes typically take 20 to 30 years.

Some years ago the Sustainable Development Commission produced an excellent report called *I will if you will*. This challenged the NGO sector to work more collaboratively to give more consistent messages to the public. I am not

sure we could say we have achieved this. We certainly work together well but are we doing as much as we could to coordinate what we say? These are some of the things we should do:

1. Get political

1.1 We need to ensure politicians locally and in the Assembly hear us in next year's elections and beyond. So ask your members and service users to ask questions on climate change.

1.2 Let more of us work in coalitions like the Stop Climate Change Chaos coalition

2. Earth Hour

2.1 Make a start by joining in Earth Hour and switching off your lights for a hour from 8.30pm on 26 March, 2011.

3. Lead by example

3.1 In WWF we all have carbon budgets that sit alongside our financial budgets. So, for example, our travel and its emissions are monitored and we have to manage our activity within those budgets. And they are decreasing every year.

3.2 Your organisation could sign up to WWF's 1 in 5 campaign where we have asked other organisations to reduce the flights they take by 1 in 5. We are doing it, despite being a global organisation. For instance, we have invested in video-conferencing equipment to reduce the need to travel. But I have also been asking the Welsh Government to invest in an infrastructure in Wales of publicly available local video-conferencing centres which business, NGOs and individuals can use instead of travelling.

3.3 Plan ahead. If you are a service deliverer, how can you deliver those services with fewer emissions? Is it time you moved into an office that is energy efficient and saved on your running costs? How will you adapt to the changes which are inevitable anyway in our climate? What impact will it have on your service users?

3.4 Can you help move society from excessive consumerism and waste towards one with a greater care, compassion and better quality of relationship? There is a real opportunity here for a different type of consumption. There is a real opportunity for the not for profit sector to expand and increase well-being, rather than just income levels. A major expansion of the social enterprise sector will help achieve these goals.

As we said in *One Planet Wales*, we need to sell the vision of a happy, healthy, prosperous Wales that lives within its fair share of the earth's resources. We need to sell it as a better place to be. We all need to convince others that there is a better future out there.

Chapter 6

Mobilising civil society

HELEN NELSON

There are more than 30,000 third sector organisations in Wales and more than 1.5 million people volunteer. We have 5,000 town and community councillors. There are 1,809 schools, of which 1,500 are already registered as eco-schools. We also have excellent universities which are addressing sustainability through their curriculum and estates management.

The first challenge facing civil society in the transition to a low carbon economy is to take the issues out to this much wider audience to harness their potential. There are a large number of community and civil society networks across Wales and a good deal of latent potential to involve them in practical action. We must work with the 'cultural networks' that exist across Wales to achieve the social and behavioural changes and sustainable lifestyle choices we all need to make. These include sports clubs, farming co-operatives, business, art and music societies, voluntary groups, and trade unions.

Cynnal Cymru – Sustain Wales has been working with organisations such as the Wales Co-op Centre, the Community Councils network One Voice Wales, arts organisations, and the Women's Institute in reaching out to this wider audience. Together we are exploring new ways of changing behaviour, including peer to peer communication and community based social marketing. This work is time-consuming and resource intensive, but can be effective. In its own way it is just as important as investing in, for example, new technology around renewable energy schemes.

However, in the next few years many community groups working in this area which are dependent on Welsh Government support will be affected by budget cuts. So we will need to find new ways to generate income.

One major opportunity is being presented by the introduction of the Feed-in-Tariff community energy schemes. These are an attractive proposition for communities looking to generate an independent source of income which can be guaranteed for 20 years. They also present an opportunity for communities to directly contribute to developing a low carbon economy by contributing to the Welsh Government's target of reducing greenhouse gases by 3 per cent per

annum in areas of devolved competence.

There are a number of successful examples of small-scale schemes being put into practice across Wales, including the Brecon-based Green Valleys project, Cwm Arian in Pembrokeshire, and Cwm Clydach in the Rhondda. The Welsh Government's *Ynni'r Fro* programme is using European Structural Funds to provide support and funding of up to £30,000 for feasibility studies and £300,000 for capital costs to encourage the development of community scale renewable energy schemes.

There is real income that can be gained for communities to be ploughed back into other community projects. We need to move quickly to identify resources, broker private-public sector investment, overcome barriers, and deliver projects that maximise benefits for communities right across both urban and rural Wales.

We also need to build on the work being undertaken across our Universities and further education colleges in promoting a low carbon economy through their estates management and also in parts of their curriculum. However, there is no clear agenda for them to support civil society groups. The few examples where this has been tried, for example the Science Shops Wales initiative at the University of Glamorgan have had their funding cut. One exception is the Centre for Business Relationships, Accountability, Sustainability and Society at Cardiff University. We need to bring together theoretical understanding with practical hands-on experience, as is being achieved at the Centre for Alternative Technology near Machynlleth.

Cynnal Cymru – Sustain Wales is unique in that we seek to make connections on sustainable development issues across all sectors. We were established in 2003 by the Welsh Government against the background of its legal duty to promote sustainable development in the exercise of all its functions. Our remit is to advise government, promote best practice, and facilitate engagement and behaviour change.

A wide range of organisations that collaborate with Cynnal Cymru, including WWF, RSPB, Oxfam and Sustrans. NGO's like these have had an effective impact on the policy debate. For example, it was combined lobbying of NGOs that led directly to the Welsh Government's legal duty to promote sustainable development, and to the fact that eco-foot-printing underpins *One Wales: One Planet*, the Welsh Government's sustainable development scheme.

As from early 2011 Cynnal Cymru and the Sustainable Development Commission in Wales will come together into a new body. Essentially, however, the main features of our role will continue. As a 'network of networks' the main challenge will continue to be enabling action and cultural change around sustainable development and climate change. In this context being a civil society body is important so that there can be ownership of our work from the stakeholders that we seek to involve and represent.

Chapter 7

Insulate, insulate, insulate

HELEN NORTHMORE

The next 40 years will see a transition of communities and economies across the world, driven not just by climate change but the unsustainable and inequitable nature of society. Importing large amounts of energy over long distances is costly, increases insecurity of supply, and underlines the limits of fossil fuels. All point to the need for a transformation in the way we deliver our energy needs. In future we will need to do more with less.

It is also going to be extremely difficult to generate the energy we will need in future from alternative resources. We will need to transform our economy to achieve more with less energy, and we will need to generate the remaining energy from renewable or low-carbon sources. This is not a challenge that can be solved by governments or the private sector on their own. The Carnegie Commission's *Making Good Society* report states:

> "Actions we recommend include investing in a local low carbon economy based on renewable energy, community transport, local food supplies and local waste management. Growing this economy should be a priority for all parts of civil society that control significant assets or investment flows."

In Wales we already have a great many examples of communities coming together and delivering their own renewable energy, transport, food and waste services. Locally determined services, meeting local need, providing local employment are all positive outcomes in addition to reducing our carbon emissions.

However, there is a further aspect of a low carbon economy, improving domestic energy performance, which Welsh civil society can be at the forefront of delivering. This will be essential for reducing emissions and reducing the impact of fuel bills. If we are to meet a target of 80 per cent carbon emissions reduction by 2050 we will need to start with existing homes since 70 per cent of the homes that will exist then, exist now. Ensuring that all homes in Wales are well insulated is necessary, and is the first step for many people on the journey to a low carbon lifestyle.

The scale of the economic opportunity is significant. There are 1.3 million homes

in Wales, with approximately 300,000 cavities left to fill. About 500,000 homes needing loft insulation top-ups, and about 400,000 'hard to treat' homes require more expensive and difficult solid wall insulation. The large number of off-gas properties provides opportunities for renewable energy generation manufacturers and installers.

Energy Saving Trust figures developed for the South West's Low Carbon Housing and Fuel Poverty Action Plan estimates that for every 176 cavity wall insulation installations one year of full time employment is supported. For loft insulation 164 installations provide the equivalent of one year's employment. The impact of domestic energy improvements can be as high as £1.5 million GVA created for every 10,000 cavity wall insulation installations.

There are other significant economic impacts of improved insulation. Higher disposable incomes result from reduced energy bills, as well as the positive impact on health and social services from elderly and vulnerable people living in warmer homes.

Even though the economic benefits are clear, for both the consumer and the economy, the large number of unfilled cavities and poorly insulated lofts shows that there are barriers to taking action for many people – 'it's too difficult', 'it's too much effort', 'it's too expensive', 'it's not worth the hassle', 'it won't make much of a difference'.

This is where I believe civil society has a role to play. Energy Saving Trust consumer research shows time and again that people are most likely to take action when they receive recommendations from friends, family or people they respect in their communities. Sports clubs, faith groups, charities, local community groups, trade unions and employers all have the potential to be part of a societal-wide drive to improve the energy performance of our homes. The following examples provide an indication:

- The Carbon Challenge run by the Women's Institute saw 12,000 people sign up to reduce their carbon footprint by up to 20 per cent and save enough carbon dioxide to fill the Albert Hall 108 times.

- Cartrefi Cymru provided advice on low carbon living to its residents, helping them understand energy use in the home, home composting and behaviour change.

- A community group in Llangynidr set up a deal with a local insulation company, canvassed across the town and got 67 lofts and 38 cavities insulated. They are now considering setting up a Community Interest Company to set up a hydro scheme and sell the energy locally.

However, there is little point in creating demand if there isn't the supply chain to deliver the retrofit work. Ensuring the right skills and training is available for Welsh businesses to equip themselves is going to be vital if we want to ensure that the Welsh economy benefits from this opportunity. This is an opportunity which needs to be grasped fully by not-for-profit and social enterprises. There is potential not just for looking at local delivery of schemes but for Wales-wide investment programmes such as *Arbed* and *Ynni'r Fro*. These provide opportunities for third sector organisations as well as firms to deliver retrofit programmes.

Civil society has a significant voice at a local, Welsh and UK level which can influence government policy. If we are all coming together to encourage increased uptake of insulation and renewables in our homes, we will need a government policy framework that supports our actions. We should expect our governments to follow civil society's lead. We should be asking for help in stimulating consumer demand, planning and building regulations that require high levels of efficiency, and investment in new technologies so they can be brought to market quickly.

The transition to a low carbon economy provides an opportunity for civil society. But it cannot happen without communities of interest and geography coming together and leading citizens in taking action. The priority should be 'insulate, insulate, insulate'.

Chapter 8

The car's not the problem

LEE WATERS

There is a consensus that carbon emissions need to come down in order to mitigate the worst impacts of climate change. As some 13 per cent of the UK's emissions are produced by car use it follows that cutting these emissions must be part of the mix of measures we need to achieve the transition to a low carbon society.

Shortly after taking office as Secretary of State for Transport in the UK Government Phillip Hammond underlined his commitment to ensuring that the transport sector plays its part in tackling global warming:

> "I am determined to make this Government the greenest ever and transport will have a key role to play. But this will not be achieved by forcing people off the road – it's not the car that's the problem, it's the carbon."

Rather than seek to change our travel behaviour and tackle the culture of car dependency the fashion is to seek a technological fix that will allow the trend of increasing car use to continue.

Transport policy in Wales is centred on the concept of mobility. The Welsh Government regards mobility as "a significant driver of economic growth and social well-being".[9] As a consequence our society is increasingly designed around the assumption that people have access to a car, and it is the role of transport professionals to make it easier for them to travel further and faster.

In the fifteen year period from the mid-80s the distance motorists travelled grew by nearly a third and the number of cars on the road increased by nearly 50 per cent. Meanwhile, journey times remained constant.[10] In other words improvements to the road network have enabled people to travel faster. So, rather than easing congestion they have encouraged more people to use their cars which in-turn has led to busier roads.

And it is set to get worse. A 2010 study by the Road Users' Alliance has predicted an increase in traffic across Wales of 29 per cent by 2025, leading to a forecast

jump in traffic jams of more than a third on today's figures.[11] However, despite the increase in traffic, according to the study CO2 is predicted to fall by 6 per cent thanks to improved vehicle technologies and cleaner fuels. The Alliance, comprising a range of motor industry bodies and business groups, believes that we can continue to base transport policy around mobility if we build new roads and develop cars that produce lower emissions.

But can the promise of cleaner cars deliver a low carbon transport system in time to tackle climate change?

The scientific evidence suggests that CO2 must peak at 2015-20 and decline rapidly if climate change is to be restricted to less than a 2 degrees C increase. Electric cars are not going to help with this. There are a range of issues that have yet to be resolved with the current batch of electric vehicles. How far can they range without needing recharging (and are consumers anxious about this)? How can they be recharged when domestic power cannot be used to do so? Are breakdown services equipped to deal with them or do emergency services know the implications of dealing with electric cars involved in collisions?

Furthermore, even by 2050 Electric Vehicles are considered unlikely to represent 25 per cent of sales of new vehicles. Even when they are used on any mass scale, this will require a huge increase in power generation. To power the current car fleet entirely by renewable energy would require a wind farm the size of Wales, or 100 nuclear power stations.

There are significant question marks therefore around the strategy of decarbonising cars as the way of realising the vision of a low carbon transport system. Nonetheless, there is a proven way of cutting emissions of transport through encouraging travel behaviour change.

Between 2004 and 2008 three large English towns were awarded £10 million by the Department for Transport to trial a change of behavioural interventions to reduce car use. In-depth research undertaken by Sustrans in the three Sustainable Travel Towns - Peterborough, Worcester and Darlington - showed that some two-thirds or more of people's day-to-day trips were no longer than five kilometres (just over three miles), and around 20 per cent are no longer than one kilometre (0.6 mile).[12] Furthermore, more than three-quarters of all trips were entirely local. That is, they went no further than the outskirts of the respective town or city.

For the first time in the UK, this research shed light on the significant potential for changing travel behaviour, in particular by addressing the subjective barriers that currently prevent people from making more trips on foot, by bike or by public transport. One of the most important overall findings was that on average nearly half of all car trips within the towns could be replaced using existing facilities by walking, cycling and/or public transport.

The research showed that people are swayed in their travel choice by severe misperceptions about the alternatives to the car, especially relating to relative travel times, and a lack of information. For example, on average across the three towns:

- People over-estimated travel time by public transport by around two thirds and for cars under-estimated travel time by one fifth.

- In around half of all cases where a viable public transport alternative existed for a local journey made by car, people did not know about it.

Overall, the research showed that while 35 per cent of all people's trips were already made by sustainable means, there was potential for a further 29 per cent to be shifted from car to walking, cycling or public transport without any infrastructure changes or restrictions on car use. This conclusion gave the three Sustainable Travel Towns confidence that through the coordinated use of 'soft' measures to provide information, motivate or otherwise influence people's daily travel choices, car use could be significantly reduced.

Across the three towns car driver trips by residents fell by 9 per cent per person, and car driver distance by 5 to 7 per cent. Bus trips per person grew substantially, by 10 to 22 per cent, compared with a UK fall of 0.5 per cent in medium-sized towns. The number of walking trips grew substantially, by 10 – 13 per cent, compared to a UK decline in similar towns of 17 per cent. The number of cycle trips grew substantially in all three towns, by 26 to 30 per cent.

The research concluded that with the right information and some encouragement people could nearly double their use of sustainable modes tomorrow. In the longer-term targeted investment in infrastructure, such as 20 mph zones and safe routes to school, together with more rational land use planning, could enable nine out of ten journeys to be made on foot, by bike or using public transport.

PART 3

Democratising media ownership and content

Chapter 9

Negotiating the maelstrom of the digital revolution

SUE BALSOM

Most discussions about public service broadcasting have about them an air of nostalgia or *hiraeth* for a perceived past golden age, especially in news and current affairs. Of course, opinions as to exactly 'when was best' vary and beg the question. Was it really programme quality or the size of the available audience in an era of only two, or at best four channels?

By contrast, today we are in the maelstrom of a digital revolution that is confusing and presents many paradoxes. Access and entry costs to broadcast technologies are lower than ever. So much so that there is something of communication overload. Yet how can we ensure a meaningful civil society content that can attract critical mass and help make a 'good' society?

The choice of broadcast media and on-line information is vast, although the reports of a voracious 24 hour news culture are often superficial. Meanwhile, traditional print media is being consolidated and costs driven out. Ironically, while we may have a more open and transparent society – with freedom of information, regulation, and a culture of consultation - we have too few people to analyse and comment on it to large enough audiences. Search engines are increasingly determining agendas by news aggregation and ratings.

Future business models for newspapers and paid-for news and current affairs content on-line remain uncertain. Traditional media such as the Daily Telegraph and the Mail seem to be evolving successful models, based considerably on associated retail and consumer opportunities in their audiences. Elsewhere new media entrants such as the Huffington Post are piloting interesting mixed models. But whatever the future holds, scale is key to commercial success and influence.

The BBC has nothing if not scale, in TV, radio, on-line and even magazines. With 34 per cent of all UK TV viewing, and 54 per cent of radio, the corporation commands huge market share. Even so, a large part of the rationale for public service broadcasting is market failure, that is to provide over and above that which the market can or will not provide. It may have begun life in 1922 as a

radio service with programmes sponsored by commercial newspapers but today the BBC is seen as the bastion of civil society.

Of course, 'civil society content' is not just the preserve of the BBC. There is plenty of public service type content elsewhere, for example in the National Geographic, History, and Biography channels. In the past, too, ITV has had a very important role. For it to be meaningful, civil society content must have scale and appeal to large scale, different audiences.

However, commercial public service models are now much weaker. Indeed, by now there is serious market failure, especially for indigenous UK, programmes for children, programming in the arts, religion and, of course, for the devolved nations, especially Wales. So despite the BBC's scale and resources, a key question is whether the quality and amount of it's 'civil society content' has increased proportionately in these areas of greatest market failure?

The TV licence itself does not include reference to the 'BBC' although the corporation receives some £3.6 billion a year. The principle of its monopoly of the licence fee was breached by the 'digital dividend' earmarked for digital switchover. However, a more profound shift has occurred with the recent Government directive that the BBC must in future shoulder the full cost of another channel's programmes at S4C.

In 2004 Lord Burns advocated a Trust to rationalise distribution of contestable, direct funding for all public service broadcasting services, including the BBC, S4C, community radio and news services. At the time this was resisted by the BBC which went on to form its own Trust as its funding regulator. As the Trust's future looms, together with the BBC's 2016 Charter renewal and the licence fee review, it is timely to revisit the Burns report and contestable funding for civic society content. Not least because in 2014 the public service licences of ITV, and Channels 4 and 5 also come to an end.

On a separate but related issue, a large amount of public money is now spent on 'civic society content' elsewhere in Wales. Outlets include on-line, local authority newspapers, Senedd TV, and community radio. However, it lacks the scale for mass engagement and the capacity for scrutinising Welsh decision making on a regular basis. We also have contestable funds for content from the Welsh Arts Council, a Welsh Books Council that funds the magazine *Golwg* and its on-line news service *Golwg 360*, plus journals such as *Planet* and *New Welsh Review*.

These interventions have come about in an historically piecemeal way, and has never been properly quantified or mapped. That would be an interesting exercise that might lead to a more strategic approach.

Despite what has been a seismic democratic shift with the establishment of its National Assembly, Wales lacks a pan-Wales daily newspaper and paradoxically has seen reductions in ITV and BBC TV programming for Wales in English. Beyond the BBC, there is precious little of crucial scale and influence to inform citizens and hold our democratic institutions to account.

A potential solution put forward in the first part of 2010 but now in abeyance, was the concept of a contestable fund in the form of the ill-fated Independently Funded News Consortia. Nonetheless, this exercise did have the positive result in its highlighting that the future of public service broadcasting beyond the BBC must lie with contestable funds.

Coincidentally, the intervening debacle of S4C has presented Wales with a unique opportunity to reconfigure its 'civil society content'. This should include a review of Welsh language programming, on-line and publications as well as a rethink of how best to use S4C's additional commercial spectrum for the benefit of Wales, in both languages.

To get the best out of all this we have to stop hand wringing. What is needed is greater ambition, vision and innovation for the Welsh media. First we need a critical review of the future potential of what is already funded in and for Wales by all parties, including the BBC.

Chapter 10

Stuck with the media giants

MARTIN SHIPTON

You won't be surprised to learn that I am an unrepentant advocate for professional journalism, and I don't give a damn if that sounds élitist. As the crisis affecting the media industries has deepened in recent years, it has become politically correct to blur the distinction between journalists and the general populace and assert that everyone can be a news gatherer. This was a mantra given currency at a conference in September 2010 to commemorate the 40th anniversary of one of my *alma maters*, the Cardiff Journalism School.

There is a lot of glib euphoria about how blogging and participation in internet chat rooms and social networking sites are implicitly a substitute for professional journalism, that they somehow enrich democracy and break down barriers to communication that previously existed. I don't see it that way, and nor do most journalists I know, even if they bite their tongues and stay silent when faced with a strident lack of respect from people who should know better.

It's a sad consequence of the collective loss of self-confidence within the newspaper industry that its demise is increasingly seen as inevitable. The fact is, of course, that much of the blame for the catastrophic circulation declines of recent years can be attributed to media companies themselves. The greedy pursuit of unsustainably high profits has been achieved by cutting back on the number of journalists employed, leading to a cut in the service to readers and making papers less attractive. Couple this with the insane decision to put all editorial content free on line – creating the expectation that news is something you don't need to pay for - and oblivion seems a real possibility.

Companies saw the internet as a means to make advertising revenue without the expense of producing and distributing newspapers. When the revenues failed to materialise at anywhere near the hoped-for rate, they resorted to the only tactic they could think of: slashing labour costs and harming their papers in the process. Thus will the downward spiral continue until there is nothing left to cut. That is, unless an as yet ill-defined *deus ex machina* brings salvation.

To suggest that blogging and other atomised activity on the internet will plug

the gap is profoundly wrong. Most blogging is opinionated commentary on current events. Without professional journalists to supply the raw material to comment on, bloggers will be forced quite literally to navel gaze.

But of course they could rely on the BBC, which will hopefully always be with us. At the Journalism School's anniversary conference, I couldn't help but break out in a wry smile as successive speakers from the BBC spoke with enthusiasm about the technological advances that were helping them do journalism in ever new ways. The one factor missing from all their presentations was any awareness of the commercial imperatives that underpin journalism in the private sector. The question is, can the private sector sustain journalism for much longer?

The assumption of the Carnegie report is that it cannot. Certainly there is considerable evidence to suggest that the longstanding business model is failing. You only have to look at the number of titles that have closed in recent years, as well as the large number of jobs that have been shed, to understand that we are in the midst of an authentic existential crisis. Perhaps it is the case that the levels of profit available to private capital will no longer make newspapers an attractive investment option.

For the authors of the Carnegie report, the superhero poised to save the day is civil society. Well-intentioned social philanthropists will step up to the plate and either take over responsibility for existing newspapers or launch new platforms of their own. It is certainly a nice thought to imagine civil society representatives, untainted by the profit motive, coming together and chipping in money to ensure that local communities get a high quality news service. Yet whether such an approach will succeed on a large scale is by no means certain. There is more than a hint in the Carnegie report that the motivation for some groups to get involved would be to get themselves more news coverage than has been the case hitherto. I am wary of this – it could be the recipe for worthy but dull publications that few people would want to buy or read.

Equally, and despite all the talk about civil society groups taking up the mantle, apart from a few isolated examples there is precious little evidence that they are actually prepared to do so. Nor, in the economic climate in which we find ourselves, are such organisations likely to have the cash available to indulge themselves in such a way. So we certainly can't rely on civil society to plug the gap left behind by redundant newspapers.

Is public funding the answer? Again, at a time of severe public spending cuts the

money probably won't be available, even if the will is there. And I'm not convinced that Welsh or British politicians are sufficiently public spirited to plough money into beasts that may bite them. Maybe if the beasts write in Welsh and Plaid Cymru holds the purse strings!

It seems inevitable that in future there will be fewer people earning a living from journalism. That will be a great shame, not least for the large number of media studies graduates being churned out who are undaunted by the prospect of working in a declining industry. It's difficult for even the most successful stand-alone web sites to generate enough advertising revenue to sustain more than a tiny number of paid employees.

For the time being, then, and until that elusive *deus ex machina* arrives, we are stuck with the private sector media giants we love to loath.

Chapter 11

The Old Lady of Horeb

DYLAN IORWERTH

Below the little village of Horeb in the Teifi Valley, until recently at least, there were the remains of a little cottage. Decades back, an old lady used to live there who was one of the first Welsh speaking professional journalists. If her neighbours had some news to announce, they would give her a halfpenny to take the information from place to place and from farm to farm. On the way, she would collect more news – and halfpennies.

That story symbolises one particular feature of the Welsh language media. It may also point to some principles that might help us in the communication crisis we now face. The Welsh language media have not traditionally stood apart from their audience, but rather have been a part of the social and cultural interaction.

A more modern version of the Old Lady of Horeb is the network of papurau bro – the fifty or so community newspapers that grew out of the language campaigns of the 1970s and are run voluntarily. I often ask people why they read the papurau bro with their notices about meetings of Merched y Wawr, the WI and suchlike. Members of those societies know full well who won the raffle or made the tea but still read the reports avidly. It is as if the report reinforces the cultural and social process. The papers are more mirror than window.

Despite believing that professional journalism is a vital part of our political and civic processes, I also feel that there is a clue here to the future of the Welsh language media and, possibly, the media in Wales more generally. The trick, and the hope, will be to give that cultural and social approach a chance to survive in a field that is becoming increasingly global and commercial – bland might be another adjective.

I remember reading and hearing two prescient comments in the early days of the Internet. One was that the medium and the message were becoming closer and closer together until they would be one and the same. The other was that the information highway was accompanied by many information by-ways too.
At present, in information and commercial terms, the Internet isn't serving those by-ways particularly well – neither their residents nor businesses. Is it possible for the Internet to do that or is it, in essence, a technology that is made for crossing geographical boundaries and creating one homogenous community? The creators of Apps, GPSes and the more mobile technologies seem to be trying to fill

this gap. But they are doing it top down. Many newspaper publishers seem to be taking the ultra local route. There are also reports of micro local sites making profits that elude their bigger brothers. Certainly localism seems to be the mantra in the United States. But the impetus is solely commercial, with content merely regarded as a way of unlocking sources of income. We need to work from the opposite direction, creating a commercial platform that gives us the opportunity to publish the kind of content that our communities need. The fact that many big players are going local suggests that there is an opportunity. But because they are not really part of those micro communities and cultures, they aren't likely to penetrate very far. If we get hold of the right tools, we have a chance of doing so. But in a mobile world, where geography is disappearing, can that local appeal be strong enough?

I remember one other early, optimistic comment. The new technologies, they said, would make everyone a journalist and publisher. They said as much about desk top computers and printers too. However, the new media are subject to the same gravitational pulls as all the others. The big boys dominate the means of production and eventually commercial power will win. We can all publish material but, despite some viral successes, we can't all publicise it. Unless, of course, we sidestep the mainstream structures.

So, I come back to my parable of the Old Lady of Horeb. In her person, technology, culture and economy were joined. It was shoe-leather technology, a social culture and a halfpenny economy. We need to create the Internet version of the parable to give us the opportunity of creating something bigger. And, because other parts of Wales share the Welsh-speaking communities' need for social and economic action, I suspect the solution may be relevant there too.

My instinct is that the process of rejuvenating our media is part of the process of strengthening our economies, and can contribute to it. As well as losing topical forums, the disappearance of local newspapers would mean that business communities would lose their market places. It would be an economic, as well as a cultural loss. So I would like to see public money and effort going to create the new market places – to create the opportunities and the technological infrastructure for us to build our media from the bottom up. Both technology and content. For the Welsh language's part, this process could also include language planning.

Of course, we will always need to operate on a national level. But one of the structural weaknesses of the Welsh language press, even in its golden age in the second half of the 19th Century, was its desire for national exposure at the expense of local success. Although we must compete with their slickness and acumen, we cannot beat the big boys at their own game. We need to create a new, bottom-up model and, in doing so, might as well start with the foundations.

Chapter 12

Tweeting internet chain letters

BETHAN DARWIN

"It doesn't matter what I believe. It only matters what I can prove!"

I'm not really qualified to be part of this discussion. I am a solicitor by day and a writer of fiction by night. In my day job, the truth is determined by judges who listen to the evidence of the witnesses, their cross examination, and then make a decision based on whose evidence they prefer. The truth is only established after rigorous examination and challenge. In my night job, the stuff I write is all made up anyway. At least, I maintain it's made up. Neither of my jobs involve the media.

"Is it a bird? Is it a plane?"

Somewhere in between the day job and the night job (and the two children and a husband) I run a women's networking group called Superwoman which has a website and a blog at www.superwoman.org.uk

Superwoman's blog is written by a number of members of the network. Consequently, it is part of a very small scale, democratically owned media, free to anyone with access to a computer. The Superwomen have strong views on a lot of things and those views are published on the internet. We have the right to an opinion and the right to publish that opinion, both fundamental in a democratic society. Compare this with the censorship of the internet in China. But the Superwoman site only gets between 10 and 30 hits a day, often from people not actually looking for it. So the site could not be said to be adding to critical debate.

"All the little birdies on Jaybird Street love to hear the robin go tweet tweet tweet."

During a recent X Factor programme on television, Louis Walsh commented to one of the contestants that he reminded him of a little Lenny Henry. While the

show was still on, Lenny Henry became the biggest trend on Twitter. People all over the country were tweeting about whether this was a racist comment.

Lying on their sofas, thousands of guerrilla journalists were having their say. A lot of it was not original. I read the same tweets over and over again because people had re-tweeted other people's tweets. This mean't they reposted to their own Twitter account the tweets of other people, like an internet version of an enormous chain letter. So they were lazy guerrilla journalists.

What this demonstrated to me very neatly is that the internet and all the social media sites are driven by the far bigger media of television. It is television that gets the numbers. Social media will be used to comment on the television but it is the viewing figures of programmes like X Factor that lead to that commentary in the first place. Previously, people would have talked about the comment down the pub or at work the next day. Then it would have been picked up in the press the following day and talked about some more. However, social media means we are all constantly at the pub or at work and capable of sharing our views with a huge audience in real time. By the time newspapers cover the story, those on Twitter will be done discussing it.

Consider some of the people with the largest amount of Twitter followers – Stephen Fry, Lady Gaga, Jonathan Ross, Britney Spears. They are all well known as a result of television, and because of their celebrity, followed on Twitter. It was television and the print media that established their celebrity that, in turn, led to their Twitter success.

Even unknowns on Twitter feed off celebrity. John Duffy a 53-year-old Belfast born door salesman tweets as 'Cheryl Kerl' and has 41,000 followers. His entries include "Aww bless! One Direction's spent aall mornin colourin in pickchaz uv littil animils faw thor coat hooks in the hall" and "Wei's Dawmut deein aall his links wurriz voice reezin up at the end leik a blerky voashun a Davina?" He's now got a book out called *Woath It? Coase Ah Am, Pet*. But in an interview in the Guardian John Duffy explained how after each episode of X Factor he gets around 4,000 new followers.

Famous people drive Twitter. It also gives famous people a platform to respond to more traditional media. Rio Ferdinand was interviewed for one of the football programmes and said that whenever he reads anything untrue in the print media about himself, he immediately corrects it on Twitter. So people can check on the veracity of media coverage. This is an incredibly useful function for those

who live in the public eye.

Of course, not every celebrity writes their own Tweets. They get their publicists to do it and we now have sponsored Tweets, where people are paid to promote and advertise through Twitter. This inevitably detracts from the perception that Twitter is "true" and that celebrities use it to communicate directly and honestly with the public.

"Who loves ya, baby?"

It's the telly that matters most. Apparently, people in the UK watch on average 25 hours a week. Far longer than we spend reading newspapers or social media sites. So who owns the telly and what those owners put on the telly is critical. To pinch a phrase from Lord Puttnam we need a "diverse, plural media" if our own commentary on life is to be similarly diverse and plural. We need niche specialist programmes that are not commercially successful but intellectually successful. This is why so many people are concerned about Rupert Murdoch's takeover bid for the rest of BskyB, and about S4C's output being funded by BBC.

Telly is the main marketplace for ideas – not just the frothy stuff like X Factor but ideas and views on politics, culture, environment and citizenship. And if that marketplace is owned by too few people, too many people will think what the owners think. And then they'll post it on Twitter.

PART 4

Growing participatory and deliberative democracy

Chapter 13

We need to become more participatory

KIRSTY WILLIAMS

Politics is about power, who wields it, on behalf of whom and to what purpose. I believe how we 'do' politics is critical to what we achieve in politics. Anyone who thinks such questions are irrelevant to voters need only look at the response to the Westminster expenses scandal.

In creating a National Assembly, we believed that we were not just creating a new policy-making mechanism. We were trying to create a new consensual politics, in touch with our communities, engaged and engaging. It was also about creating a politics in which Wales took responsibility for its own decisions and engendering a more self-confident nation.

As we approach the end of the Third Assembly and the referendum in March, now is a good time to take stock. We have achieved much of what we set out to do. We have a more consensual politics, with two successful coalition governments and more equal representation of women. But it is telling that during the recent 'ten years of devolution' celebrations, many AMs said that the most important thing we had done was 'to secure devolution'.

Back in 1997 we were campaigning for a single goal, a goal for which we had fought for decades, centuries even. But devolution is not the final goal. It must be a means to an end, the means to driving improved life chances, a cleaner environment, better schools and first class healthcare.

It concerns me that a certain lack of responsibility permeates Welsh politics. This is particularly apparent now in the new political climate, in which governments in London and Cardiff are of different colours. This is partly about the attitudes of individuals and parties. But it is also about the devolution settlement that we have. This has been illustrated by the argument between Wales and Westminster over the Comprehensive Spending Review and S4C.

On one level the Comprehensive Spending Review has illustrated the need to reform Barnett so Wales has a fair settlement. More importantly, it illustrated the

urgent need to secure not just more money but more fiscal responsibility, so that we can move away from 'begging bowl' politics. It is only by ensuring that Wales has the ability to raise income that we will avoid the political bun fight we have seen over the Spending Review.

We also need to accept more responsibility when it is offered. Whatever the rights and wrongs of the S4C issue, the reason why Welsh language broadcasting is not a devolved matter is because Rhodri Morgan told the last Labour government that he didn't want to have responsibility for it. In view of that it is difficult to complain that we no influence over the issue.

How can we ensure that our National Assembly grows and matures? Government by 15 people in Cardiff Bay has the capacity to be just as distant from the people of Wales as any Westminster Government. We must continue to work to involve more people in the political process.

Firstly, the National Assembly rather than the Welsh Government should have power to make significant appointments to quangos and bodies that scrutinise the Government. For example, how can the Welsh Language Commissioner truly scrutinise Government if she (we can hope) is appointed by, and therefore responsible to, government ministers?

Secondly, we should improve the way we make laws. AMs need a fair chance to evaluate every piece of legislation. At the moment, Private Members Bills do not need to be properly drafted before AMs can reject them. And the finance committee should have the power to demand information on the financial impact of bills – before they become law.

We also need to engage the public in scrutinising draft legislation. Producer interests tend to be well represented in the Assembly but consumer interests less so. We speak to teachers and not pupils, bus companies but not passengers.

Recently we considered legislation requiring local councils to promote cultural activity in their areas. AMs heard from museums and librarians but we didn't hear from the public that use libraries and art galleries. Still less did we hear from people who don't use these facilities but might like to.

I worry that the Assembly is falling into two Westminster traps. The first is passing very broad measures that leave all the details to regulation, to be issued by a Minister at a later date, usually without any scrutiny. We are in danger of

passing huge swathes of power to Ministers who openly admit they are not sure if or how they intend to use them, let alone how a future Minister might use them. For example, the Local Government Measure allows Ministers to impose punitive sanctions against local government for failing to meet targets that have not even been set.

The second Westminster trap is that we are so pleased that we can pass legislation that we do so without considering whether a new law is the right mechanism. More law doesn't always mean better law.

The budget is the single most important decision that the National Assembly makes each year. It needs to be more open and accessible – for AMs to scrutinise, for auditors to examine, and for the public to understand. However, for the last few years, the budget has been incomprehensible and lacking in key factual information. We must make it easier for the public to find out exactly how much money goes to each spending programme.

As well as bringing more people into the political process in Cardiff Bay, we also need to bring devolution to our local communities. For my constituents in Talgarth, Cardiff Bay is as remote as London. I suspect many people in Butetown feel the same way.

So we need to devolve power from Cardiff Bay to our local councils and communities. Even councils can be remote and unresponsive but they are the key mechanism by which communities can improve their area. To empower those councils to deliver services as they see fit, the Welsh Government needs to reduce the many constraints placed upon them.

For example, councillors in Merthyr will tell you they can access money to build a new zebra-crossing, but one that is unusable because they have no money to repair the surrounding pavement. There is a funding stream to fund part of the solution but not all of it. Why is that the case?

The Welsh Government has 60 different grants available for local authorities with a total value of £740 million. This compares with core funding for councils of just £4.2 billion. So 15 per cent of money going to Local Government has to be spent on exactly what the national Government dictates, with all the bureaucracy associated with it. That ring fencing undermines democracy, leaving local communities unable to make their own spending decisions.

Fair votes in our local councils is also critical because of the change it would

engender and the people it would empower. PR for local government would sweep away the last vestiges of the one party states in our local communities. It would turf out the cabals who run affairs from behind closed doors - fixing the decisions in the Labour club on the Tuesday night before the charade of participatory democracy on the Thursday. Above all, it would make every vote count. And you cannot begin to think about how to improve participation in democracy without first ensuring that every vote counts.

We need to reform the National Assembly to make it more participatory, drawing on a greater pool of talent to improve decision making, and to hold the government to account. Alongside we need to empower local government and communities to deliver for themselves. If we can deliver on this agenda, then we will be well on the way to delivering the truly inclusive participatory democracy that Wales deserves.

Chapter 14

Nurturing a stronger sense of citizenship

CARYL WYN-JONES

In 2005 only 37 per cent of 18-24 year olds bothered to vote compared with 75 per cent of those over 65. Many academics have attributed this low turn out variously to politics being complicated and irrelevant, it having no impact on young people's lives, or a lack of engagement by politicians with young people.

On the other hand we did see a peak in young voter turnout in the 2010 Westminster Election thanks to Nick Clegg. However, those votes may well be lost again in light of the Liberal Democrat reversal on student fees.

It leads to the question, why has the London coalition Government kept its promises to older voters, for example protecting winter fuel allowance and raising the basic pension, while abandoning its commitments to the younger generation?

Furthermore, why is our generation facing a burden that the older generation never had to face? It is the older generation, the one that "never had it so good", that has created the problems with which people my age will have to grow up.

The Westminster government says it is hell bent on cutting public spending in order to help future generations. But young people are facing these cuts disproportionately now. English students starting university in 2011 will face tuition fees of up to £9,000. This will entail debts which will take most people over 20 years to pay off. Of course, the stand by the *One Wales* Plaid-Labour coalition Government means that the fees increase is being avoided for Welsh domiciled students.

Yet, even in Wales this will only ameliorate the widening gulf that is opening up between the generations. When you graduate you are entering a job market where graduate schemes have been cancelled by the public and private sectors alike. After you finally get a job you will have to pay increased taxes for the pensions and healthcare of the old. Meanwhile, it is unlikely anyone under 30 today will be able to claim a state pension before they reach 75.

Young people often feel that politics has no impact on them. For instance,

recently my little brother spoke to me at length about the new *Glastir* agricultural programme. He knew exactly what the changes would mean and the improvements to the farm that needed to be made. Yet he didn't think this had anything to do with politics.

When democratic institutions try to address these problems they tend to lump young people into uniform groups. However, young people from 15 or 16 to 18 are very different from 21 to 25 year olds. The Electoral Commission's attempt was to produce an introduction to democracy in the form of a cookbook, which I'm afraid didn't get very far.

The Carnegie Report has some interesting findings with regards to young people getting involved in Civil Society as a means to getting young people involved in a *form* of democracy.

The new devolved democracies such as those in Cardiff Bay and Holyrood have led the way in bringing power back to the people. A while ago a member of Plaid Cymru's youth section, Cymru X, presented a petition about education to the Petitions Committee at the National Assembly. He did this on his own initiative, following the guidelines on the Assembly website. He also managed to get the Western Mail to cover the story and did a follow up blog. It's not often we see young people take this sort of direct action, but it shows what is possible. With the right encouragement more and more young people would feel empowered to take action in this way.

The new Welsh political culture being developed by the National Assembly has proved to be a more modern and a friendlier environment for young people. Research by the All Wales Convention demonstrated that generally people feel it is much easier to see your AM in Cardiff Bay rather than your MP at Westminster.

A number of organisations including the British Youth Council and the Welsh Government's Funky Dragon organisation have a remit to engage young people in democracy. As the Carnegie Commission's report says, the Scottish Youth Parliament has been instrumental in Scotland in getting young people involved in political debate north of the border, an example we could follow in Wales.

But do these sort of forums go far enough? Are they just a tick box exercise for governing institutions rather than actually entrusting young people with concrete decision-making powers? We can see through cookbooks and funny videos. Giving young people real responsibility over decisions that effect their

society could see a much more empowered younger generation.

We need to be introducing citizenship lessons, teaching young people about civil society, learning about government structures at all levels, and encouraging public speaking skills. Young people need to build the confidence that becoming involved in civil society and politics is not as complicated and difficult as they may think. The benefit will be more far reaching than an increase in young people voting. It will also nurture a stronger sense of citizenship more generally and a belief that the individual can contribute to and change society.

We are lucky in Wales to have many organisations such as the Urdd, Young Farmers, brownies and scouts that are instrumental in bringing young people together. All these organisations should have a more systematic approach to promoting citizenship within their activities. We need a more citizen-centred democracy, and a greater sense that with devolution, we have the opportunity to do things differently in Wales.

Chapter 15

Valuing the public good

NICK DAVIES

In July 2008 Hazel Blears suggested that the chance to win an Ipod might encourage people to vote, thus assuming that even minimal participation in civil society requires some material incentive. Blears was herself more part of the problem than the solution, which was made even more obvious when she became emblematic of the expenses scandal, which brought the political class into even greater disrepute.

Long-term societal changes, such as increased individualism, the decline of political tribalism and public disenchantment with the morality of politicians are all advanced as reasons for the decline in voting. Yet the evidence suggests that people will vote if they think it will make a difference to their lives. Solutions such as compulsory voting or polling booths in supermarkets are therefore merely administrative solutions to a political problem.

The three principal Westminster parties are united in one fundamental respect. All believe that market forces are the most efficient means of allocating goods and services. Save for certain exceptions, government is seen as having no business in declaring any area of human activity 'out of bounds' to the market. There's a virtual consensus that housing should, primarily at least, be allocated according to the market, not need; that utilities should be in the hands of private companies; and the existence of a market, rather than the socially desirable need to connect communities, should determine whether or not bus or train services exist. On top of this EU competition rules prevent a government ensuring that the fabric of a given community is not unpicked by the decamping of an employer.

In this way fundamental questions are taken out of the realm of politics altogether. When a politician comes asking for your vote many of the profound political questions, those that matter to people, can no longer be asked, and, if councils are bound by 'commercial confidentiality', cannot be answered.

The areas of human activity where trust and solidarity have traditionally prevailed over commerce have been valued, not to say cherished. It was the basis for millions of peoples' voting behaviour, for membership of trade unions,

of co-operatives and mutuals, and of our public services, not least the National Health Service. Over the past 30 years that public sphere has been looted or undermined. Public services have been privatised or semi-privatised, trade unions have lost influence, public sector workers suddenly find themselves working for contractors whose only interest is profit, building societies have been demutualised and become banks.

Betraying a crude one-sidedness about how wealth is created, public services are frequently portrayed as a tax drain, and public sector workers as merely would-be private sector workers. When self-interest, not to say greed, becomes almost an official ideology, when people feel powerless, with no expectation that they can change anything, the present levels of cynicism and mistrust are hardly surprising. Basically, we get the political culture we deserve.

We must reassert the value of the public, the cooperative and the mutual, as part of that defence of all of the social capital which we are in the process of losing. And we must reclaim the idea that through the democratic process we can materially change the way we live our lives.

What better place to start than here in Wales where these concepts and an egalitarian sense of community have deep roots, and where the free market has left its scars. It is the birthplace of the NHS. It is no accident that Welsh Labour has developed a different way of running public services from New Labour in England. The re-creation of free public goods was a sign that there was a different way of running society, freeing our working lives and relationships from the mechanism of the market.

The principles underlying the Welsh approach can be termed 'progressive universalism': universal because universal public services are the glue that binds together a complex modern society, and progressive, because they are targeted at those in most need. We can develop participative democracy by developing this emerging, distinct Welsh political culture and relying on the practical knowledge and enlightened self-interest of Welsh communities.

The attack on those public or mutual areas in our society came from a need to develop new markets and find new sources of profit, but presented in the language of individual consumer empowerment. However, it has not been proved that middle class, or 'aspirational' citizens want out of public services. They just want them to be good, as do we all. In fact, services only used by the poor quickly become poor services. Although integrated, and funded from taxation, traditional

public services were very much something that was done **to** people.

Instead, every site of decision-making throughout Wales should facilitate genuine popular participation. Those whose expertise are necessary to run services should have to engage with the views of the community in making their decisions. Users could work with those who provide the services so they are truly accountable and responsive to the people who use and depend on them. In other words, there would be co-production, a collaborative relationship, based on trust, rather than on competition and consumerism or the fear that comes with inequality.

Rather than to our increasingly dysfunctional neighbour, we should look further afield, to Porto Alegre, Brazil, where participative budgets have become a fact of life, improving housing, transport, the environment and infrastructure. Moreover, they are accepted by the middle class, which understand the benefits to all of a more equal distribution of resources.

It's not always easy to reconcile needs and aspirations. The loudest and most articulate tend to be heard first. However, whatever the difficulties, the people of Wales would be able to decide what they want their lives to look like.

In Wales our electoral system is unlikely to deliver an absolute majority. By now we're used to a coalition government. In 2007 The Labour-Plaid *One Wales* agreement was an opportunity to transcend the tribalism between two parties more alike than many of their supporters realise. We can be partisan about politics, without being tribal about party.

The way the Assembly conducts its business is incomparably superior to that of the 'mother of parliaments'. First name terms, no braying, gender equality on almost a Scandinavian level, offices established throughout Wales. It's an example to our bigger neighbour of what politics should look like.

Chapter 16

We need leadership and risk-taking

DAVID MELDING

As someone who worked in the voluntary sector before becoming a politician, I have been pleased to see the scale of civil society activity in Welsh political life grow considerably since I entered office in 1999. Without doubt there has been a marked devolution dividend in this respect. We could not hope to succeed in growing our civil society without the help of the third sector and thankfully their capacity to engage has increased massively over the past decade of devolution.

I have seen this directly as the Welsh Conservative Party's Director of Policy. When I started in the early 2000s, engagement with the third sector was far too limited and the skills of the sector were often underdeveloped. Now the situation has been transformed. In the Welsh Conservative Party's consultation process for the 2011 Assembly election manifesto we received over 100 written responses from the third sector. We have held over 50 follow-up meetings at which the sector has lobbied skillfully and with great purpose. Ideas are more practical and focused and the sector is generally comfortable about influencing the political process. A genuine partnership has developed.

Of course, civil society goes beyond the third sector, but voluntary organisations have been at the vanguard of innovation and best practice. The Carnegie Commission's report is a welcome reminder of what needs to be done to promote effective participation and citizen involvement in the political process. Participation very often needs to be mediated by voluntary bodies and non-governmental organisations. As the report notes, the Chartist and Suffragette movements were a brilliant example of this truth.

In the early and middle decades of the 20th Century the political parties themselves were effective agents of citizen involvement. They were mass membership organisations and drew strength from local communities and trade unions and other groups. Those days are over. Today citizens are more likely to join an NGO to further a particular political cause or opinion. This is not a bad thing, but it does change the environment in which effective participation must take place.
The Commission's report has made a series of practical proposals to promote citizen involvement, much of which I welcome. We do need to strengthen local

democracy. This means starting at the Town and Community Council level. More decision making should be devolved to local authorities and indeed to citizens directly. The right to petition is a key tool for local communities and groups of interest. The Assembly has a robust petition process already, but it could be improved. Petitions that receive a certain level of support could be debated in plenary, for instance. I am also intrigued by IWA Chairman Geraint Talfan-Davies' suggestion that the Assembly needs a citizens version of Westminster Hall to serve as a popular, supplementary chamber for debate.

I would also like to make a slightly naughty suggestion of my own. It might be time to reform institutions like the House of Lords to promote citizen engagement. Why not hold a lottery of interested citizens and draw out 30 or so to serve in the House of Lords? They could be supported by a small staff and be suitably remunerated for their service. Fanciful? That is how people first reacted to the idea of popular election in the early 19th Century. Working class people, many of the landed haughtily believed, could never hope to be distinguished figures in Parliament. How wrong they were! Democracy reinvigorated the British state and was soon emulated across Europe and the world.

Finally, I would like to commend the Commission's call to develop leadership skills in the general population. Many of our fellow citizens feel locked out of political processes. They feel intimidated about putting themselves forward for positions of responsibility. Yet given a fair chance, they have much to contribute and would serve to keep the political process relevant and citizen focused. In the age of the career politician, we need to find ways to allow the voice of engaged citizens to be heard. One idea that came out of our manifesto consultation process was to develop 'anchor' voluntary organisations across Wales. They would serve as hubs for civil society activity. This is an idea worthy of careful consideration.

But let me end with a small warning. New technology and what is generally referred to as social media will not provide all the answers we need to promote citizen engagement. As Malcolm Gladwell recently wrote in the *New Yorker*, there is a distinction between vertical and horizontal action amongst citizens. Real social change and citizen engagement requires vertical skills like risk-taking and leadership.

Much of social media can end up being shallow and horizontal. As Gladwell observes, social media "makes it easier for activists to express themselves, and harder for that expression to have any impact" [13]. In other words, if we are to be effective in 'Making good society' we still need to strengthen our civil structures. The Commission's report is a positive step towards that goal.

Afterword

Strengths, weaknesses, opportunities and threats

MARK DRAKEFORD

One of the features of having been around a long time, and constitutionally incapable of throwing things away, is that some half-forgotten sources sometimes come back to make new points. Twenty years ago, the IWA published its vision for Wales in the year 2010, *Wales 2010: Creating our future*.[14] In the nature of these things it makes some prescient points, while neglecting others. It's with less than a wry smile, for example, that today's reader comes across a powerful set of paragraphs, setting out the immediate case for electrification of the railways in Wales.

Yet, for the purpose of this chapter, one of the most striking features is that, alongside a set of issues which were barely discernable then – the rise of the BRIC economies (Brazil, Russia, India, and China), the transformatory impact of the Internet and broadband, Objective One funding, even devolution – the document never once mentions the voluntary sector or civil society. Indeed, when referring positively to "strong partnership between all players in the economy" as one of Wales' key strengths, those players are identified as the "private and public sectors".

A different set of archive papers demonstrate just how powerfully the arrival of devolution (another topic strangely and totally absent from the *Wales 2010* predictions) was to transform this picture. Late in 1998, less than a decade later, the Wales Council for Voluntary Action (WCVA) published a briefing paper, setting out the results of a round table discussion in which all the main political parties in Wales set out their views on the relationship between the voluntary sector and the National Assembly.[15] The Labour Party was represented by Ron Davies, and Plaid Cymru by Dafydd Wigley. A Mrs. Mary Taylor spoke for the Conservatives and, in an unintended echo of things to come, an Alistair Cameron represented the Liberal Democrats. The whole event was chaired by Jane Hutt, then vice chair of the WCVA – proving that some good things endure.

It was, the WCVA's Chief Executive Graham Benfield said, a "time of great optimism" for the then 23,000 voluntary groups in Wales. The *Key Statistical*

Data, published by the WCVA that year reported that four-fifths of the adult population of Wales, some 1.3 million people, had volunteered in the past year. With the 1998 Government of Wales Act placing a statutory obligation on the National Assembly "to make a scheme setting out how it proposes, in the exercise of its functions, to promote the interests of relevant voluntary sector organisations" the future seemed set fair.

More than another decade later, this short chapter offers some reflections on the future of civil society in Wales, as it appeared in the seminar sequence organised by the Institute of Welsh Affairs in the autumn of 2010. It is important to be clear that the aim is not, at least in the first part of what follows, to comment on civil society in Wales *per se*, but rather to focus on conclusions which might be drawn from the seminar discussions. In an effort to keep the chapter focused, it offers three strengths, three challenges and three areas for the future. And all this in a sector which, by 2010, the WCVA was describing as made up of over 30,000 organisations and groups, at least 27,000 of which were local in nature. Now, 1.13 million people were identified as volunteering in third sector organisations in Wales, with 229,000 acting as trustees or management committee members.[16]

While the seminar sequence was designed explicitly to reflect upon the 2010 Carnegie Report *Making good society*, the intrusion of a General Election between that Report's publication and the seminars inevitably created a new context for much of the discussion.

Strengths

Having attended each of the seminars, my conclusion is that there is much to give heart to anyone with an interest in the health of civil society in Wales. The breadth and diversity of the sector remains striking. For each seminar a panel of genuine expertise and authority was assembled, while it was clear, from each audience, that the panel's membership could have been replicated many times over. The impression left with this listener, at least, was of the thorough preparation, and depth of understanding, which characterised much of the discussion – matched, in many cases, by a sense of passion, as well. Civil society in Wales, as elsewhere, is characterised not simply by its scale and scope, but by the strength of commitment which it is able to evoke and mobilise to its different causes.

Another abiding impression of the seminars lies in the sense of creativity which was often apparent in contributions from the top table, and from the floor. To

paraphrase Aneurin Bevan, the fundamental issues change very little over time, but they appear in new guises, and require new approaches to address them. There is a danger, in any seminar sequence of this sort, that discussion gets stuck at the first port of call, preoccupied with ever more elaborate descriptions of the difficulties, but with precious little about how they might be tackled in contemporary circumstances. To a large extent, this danger was avoided. In every session a set of ideas emerged which provided a sense of forward momentum, of a developing future agenda for civil society in responding to the issues of the economy, climate change, media ownership and content, and of democracy itself in Wales.

Finally, in this set of positive preliminaries, to note the way in which the sequence succeeded in building and retaining an audience for these important ideas. Each session drew some participants attracted simply by the particular subject matter of the day. More striking was the stamina of those who returned regularly to each one. One of the challenges for civil society, identified in the original *Making Good Society* report, lies in building alliances between its very diverse components, so that its influence and impact becomes more than the sum of its different parts.

Challenges

By now the attentive reader may be anticipating the imminent arrival of a 'but'. And, indeed, for each of the substantial strengths outlined above, there were some reservations which remained in place, as the sequence drew to an end.

While the 'strength in numbers' which the Carnegie Report identifies as a core characteristic of civil society was readily apparent in Wales, the same difficulties were apparent in reaching out to certain sorts of civil society activity. Trade union participation was at a minimum. Smaller and more local groups where, cumulatively, the bulk of civil society participation lies, are always difficult to represent in these sorts of discussions and were largely absent here. While no claim was ever made to 'representativeness', there are voices which went unheard.

The downside of the passion and commitment which different individuals and organisations bring to their own subject matter lies in the weakness of the sense of connection which was apparent, sometimes between speakers in the same seminar, more often between one seminar and another.

The third challenge which was apparent in the seminar sequence is one which

has been identified many times over the past decade in the on-going tension for a sector which wants to be both independent and influential: to be close to government and yet maintain a critical distance; and to be both inside and outside the tent.

The Carnegie Report reflects the same anxieties. Civil society needs a collaborative, but not collusive, relationship with government. The Report suggests that this is a distinction which requires constant nurturing and even a measure of legal protection. Certainly, for Welsh participants, the tension between working closely with the Welsh Government, while resisting incorporation was one which remains unresolved, and on the surface of seminar discussions.

Looking ahead

Reflecting on the whole of the discussion, here are three personal suggestions for an agenda of action for civil society in Wales, arising both from the Carnegie Report itself, and the autumn's discussions of it.

Financial: cuts are coming, and on a scale not seen since the 1930s. The issue hung like Banquo's ghost over the seminar sequence, only occasionally shaking its gory locks directly but always there in the room. At its worst, there were some suggestions that third sector organisations might do rather well out of the recession and its aftermath. Like vultures looking forward to a good famine, these voices suggest that civil society is well placed to pick up the pieces of a decimated public sector. The Carnegie Report itself provides the best riposte to such a view when it argues for a 'reassertion' of the core values of the sector, which it describes as a commitment to 'justice, equality and mutuality'.

The dire place where things can end up, without such a secure value base, is well illustrated in Martin Shipton's paper on the state of the media in Wales. 'Citizen journalism' does bring a new set of perspectives, as well as new sources of information, but when it becomes a substitute for journalism proper it becomes simply a cacophony of competing voices in which volume drives out analysis and any sense of coherence. Those who think that the future for civil society is to become fat on the corpse of public services have, even on their own terms, failed to realise that in such as future, as Yeats put it, 'the centre cannot hold'. And, without a central pillar, there will be nothing for civil society to organise around.

What is needed, instead, is some more concerted effort to work out a pan-sector approach to finance when money is in far shorter supply. There is a great deal to

be learned, it seems to me, from the way in which the private sector in Wales, as the first to feel the hot breath of the recession, responded to those difficulties, hanging on to employees by whatever means could be found, rather than making redundancies. A shared commitment by civil society organisations to weather the storm by retaining as many people in work as possible, for example, would be one statement of basic principle around which a financial future might be crafted.

Political: navigating the politics of the next four years has some challenging aspects for Welsh civil society and, in particular, for those organisations which operate on both sides of Offa's Dyke. It is entirely understandable that any body wishing to be influential will want to demonstrate its relevance to government. For the first decade of devolution, with Labour in power in both Wales and Westminster, that at least provided a single target. Now, organisations which rush loud and headlong to proclaim their 'Big Society' credentials, may find themselves pleasing one audience, while quite certainly alienating the other.

The terms of debate in Wales will be different and, as I would argue, more in tune with the ambitions for 'care, compassion and hope', which the Carnegie Report identifies as lying at the core of the *Good Society*. In each of the four aspects of that Report it is possible to see examples of practical action in Wales in which civil society is a core player. In growing a more civil economy, Wales has led the way in the development of Timebanking. In the transition to a low carbon economy, the Welsh Government's £30 million *Arbed* scheme will improve the energy efficiency of the existing housing stock in some of the most deprived parts of the country in a way which brings the advantages of new mutualism to boost jobs, skills and regeneration.

In democratising media ownership and content, there are real challenges ahead for Wales, not least the future of S4C which was extensively discussed in the seminar sequence. But, the development of community radio in Wales, at least, meets one of the key *Good Society* calls for both policy and financial support for improving infrastructure at the local level. And, while devolution itself has been the single greatest step in the democratisation of Wales, the way in which it has been conducted since 1999 – direct involvement of young people in appointing the Children's Commissioner, to cite just one example – suggests a basic sympathy to further growth in participative and deliberative democracy.

The point being made here is certainly not that everything is as good as it should be in Wales. Rather, it is to suggest that, in each of the Carnegie priority areas,

the political context is one which is favourable to further gains which could, and should, be part of a future prospectus. The challenge is to respond to that context in a way which works with the grain of the Welsh way of doing things.

Strategic: in the Welsh context, one of the dogs which barked only quietly during the sequence was the potential consequences of the referendum to be held on Part Four of the 2006 Government of Wales Act on 3 March 2011. The shared position of most of those who raised this issue was that civil society interests favoured an affirmative outcome to the referendum and that it was there to be won. There was no discussion at all, as far as I can recollect, of the part which the sector might play in bringing about that outcome, or of the consequences for devolution in Wales if the referendum were to be lost.

More surprisingly, there was only scanty consideration of the way in which a successful referendum might require a recalibrated strategic approach by the sector to the newly empowered Assembly. David Melding rightly pointed out the very active part now played by civil society organisations in attempting to influence Party manifestos in the Assembly election. Yet, while the seminars amply demonstrated the successes of the sector in dealing with devolution during its first three terms, there was much less said about how that might be taken forward into a different future.

As I see it, the reason why the referendum is important is that, if it is won, it will mark a step change in the effective status of the National Assembly as a legislature. The ability to make primary legislation in devolved fields will be freed of the more sclerotic aspects of the Legislative Competence Order (LCO) process and the Assembly will be able to make far more coherent legislation, across the range of its responsibilities. In that changed world, there are two strategic positions which the sector might usefully adopt.

In the first place, with the LCO process abandoned, the burden of scrutiny will fall entirely to the elected politicians at the Assembly. That seems to me to be right and proper, but it does mean that the questions raised during Westminster consideration will now need to be carried out in Wales. Part Four of the 2006 Act was not intended, it seems to me, to diminish scrutiny, but to relocate it. There is a powerful role for civil society in making sure that legislation which in future will be made entirely in Wales comes under as sharply focused a microscope as possible. The sorts of organisations which took part in the seminar sequence have a real expertise in their particular fields which will not easily be available to

elected Assembly politicians from elsewhere. Moreover, rooted as they are in the lived experience of their members, civil society organisations have a perspective to contribute to legislation which they have an obligation, I would argue, to make effective in the new processes. Making a strategic commitment to play that part would, I believe, strengthen the influence which the sector can muster over the next four years.

The second strategic step, within a post-referendum Assembly, would be for civil society organisations to become more direct and dynamic actors in promoting legislation outwith the programme brought forward by government. Understandably enough, given its far longer history, a back-bench MP at Westminster who does well in the ballot for Private Members' legislation is inundated with legislative ideas and, indeed, ready-made Bills from third sector organisations. Very little of that has been evident in Wales to date, but the opportunities for doing so in the future are far greater. Such a course of action will require an effort both of policy-thinking and, perhaps even more necessarily, of detailed legislative drafting. Given the opportunities which might be available after next March, it seems an effort well worth making.

Notes

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10 Average trip lengths rose by 29 per cent between 1985-1986 and 1999-2001 according to the Department for Transport's National Travel Survey. During this period average journey times increased only marginally (from 20 to 21 minutes) indicating that average journey speeds have increased. Over the same time car ownership increased from 16.4 million to 23.9 million, a 45 per cent increase: Department for Transport, *Vehicle Statistics*, 2008.

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Cover Photo:
Seamstresses and craft groups have created costumes for Blaengarw's carnival in the villages's working men's hall. This tradition has only been revived recently and is widely seen as a symbol of civil society in action, revitalizing a community. It is an outstanding example, too, of a 'timebanking' initiative that is spreading across Wales and helping revive some of our most deprived areas. More than twenty street ambassadors in Blaengarw also act as intermediaries between their 'patch', the local authority and other statutory and third sector agencies

Civil society is thriving in Wales, as this volume testifies. Defined as occupying the space between the state and the market, civil society's reach extends to the voluntary sector, the co-operative economy, education and broadcasting.

There are more than 30,000 third sector organisations in Wales while more than 1.5 million people volunteer. We have 5,000 town and community councillors. There are 1,809 schools, of which 1,500 are already registered as eco-schools. Meanwhile, the Welsh co-operative economy, which includes everything from farming co-operatives and credit unions to employee-owned businesses and community co-operatives that run village shops and pubs, is worth around £1 billion pounds and employs more than 5,000 people.

This book reports on a Welsh debate around the key findings of the Carnegie Trusts' Commission of an Inquiry into the Future of Civil Society in the UK and Ireland, *Making Good Society*, that was published in March 2010. The authors address four main themes:

- Growing a more civil economy.
- Transition to a low carbon economy.
- Democratising media ownership and content.
- Growing participatory and deliberative democracy.

The aim was to ask how the Carnegie findings relate to the emergence of Welsh civil society following a decade of devolution.

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