

A conservative green revolution

Yesterday I pointed to the dangers of net zero enthusiasts backing ways of life and products they do not adopt themselves but require others to do. Today I ask, what does make sense and what is a saleable green policy?

The UK has advanced on the road to net zero for electricity generation. This should be one of the easiest ways to journey to less fossil fuel use. It is not however a good idea to do so by coming to rely more and more on imports from the EU, when they in turn rest heavily on Russian gas and German and Polish coal. Our first aim should be to get back to self sufficiency in electrical power for environmental and strategic reasons.

We should also have more uninterruptible renewable power in the mix and less unreliable wind and solar. Another pump storage scheme would greatly help flexibility and avoidance of power cuts. Water power more generally is more reliable and wind by harnessing water flows down rivers or the power of the regular tides and waves. We need much more capacity if the government's ambition electrical revolution is to sweep on. I doubt we can make do without combined cycle gas, especially now there are difficulties in replacing our old nuclear stations let alone expanding nuclear.

The advance in domestic heating and cooling will come first from better insulation. More help to exclude draughts, include better standards of insulation and ensure hot water systems are well protected would lower costs and demands for fuel to heat. Anything which lowers energy use and energy bills is a very saleable proposition.

We can do more to recycle and control waste, to protect farmland and woods and to look after our landscape. Conserve and recycle is good. Forcing premature replacement of existing heating systems and vehicles with new products that are dear or not so good may not even help to net zero, given the resource cost of scrap and replace.

Advocates of net zero need to live the brand

It is not a sensible approach to green matters to impose more and more rules and restrictions on the lives of the many, only for the establishment to show scorn for such rules in the way they themselves behave. I think all those who preach the green revolution should ask themselves two things before saying anything. The first is, have they done themselves what they are telling others to do? If not it is hypocrisy, and will damage their cause. The second is to check that their advice to everyone else offers practical and sensible

ways of conforming with their views that people can afford and accept.

I remember attending a presentation on the need for electric cars sometime ago before the pandemic in Westminster. The person presenting on how we all needed to switch to electric vehicles invited questions at the end. I asked him the simple question of when had he bought one, what was it and how had it worked out for him. It was not meant to be a trick question and it never occurred to me that such a devoted advocate would not have bought one, but he confessed he had not yet made the purchase. I asked the supplementary of when would he, and he still fluffed it, refusing to commit!

I still have not met people with a heat pump on their wish list and when I last made enquiries of heating engineers they guided me off any such idea on grounds of high cost and poor effectiveness. Sales of diesel and petrol cars are down as people have grasped the government intends to make owning them dearer and more difficult, but sales of electric cars are far from replacing the lost sales. People are not reassured about range and battery performance, and think the products are still dear.

The Green revolution needs popular good value products promoted by people whose own lifestyles conform with their net zero doctrine.

Foreign travel and the dangers of overseas infection

There has been much criticism both ways of world and UK policy towards international travel. All those who like travel or need to travel across frontiers have been very critical of the big hit airline travel has taken, as many countries have closed their borders or greatly restricted flying. Meanwhile many others have been very critical of countries including the UK who have not closed enough air borders quickly enough with signs that a major source of infection could come from overseas, as CV 19 did originally from China. Surely people ask, isn't a quick and full close down of air and shipping routes the best way of stopping spread, and wouldn't such a lockdown allow much less internal damage through internal closures?

We have ended up globally with a prolonged closure of much of the international travel system. It has not proved possible to reach global agreement, so sometimes your country allows you to travel to another but the other country does not want you to, or vice versa. Rules change rapidly and often, making it a very unappetising idea to go on a foreign holiday as you may get stranded there, or you may be forced into a long sojourn at your expense in a non holiday hotel in your return. All this implies that maybe being tough on global travel for any individual country is sensible, as travel patterns will be disrupted anyway by other countries and most of the new virus strains originate elsewhere and need to travel to your country.

In order to save the rest of the hospitality and travel sector the market did need to adjust to the idea that this year many more UK people would take holidays in the UK and foreign visitors would not. The industry needed to show flexibility to offer sufficiently attractive UK holidays to locals to replace the type of tourism they sold to foreign visitors. I wish the UK industry well in serving the many UK holidaymakers keen to have a domestic holiday. Maybe it will win more people over to UK holidays in future.

Restoring our freedoms

After many months of looking to the state to guide or control our actions we need to rebuild individual and family responsibility quickly and comprehensively. We should not need to ask the state permission to go to a cafe or entertainment. There should not be special rules about trips to the supermarket. Public sector facilities from libraries to toilets should be reopened fully and available for use. Social distancing and mask wearing should be a matter for individual decision.

Of course people will still value medical advice, and many will want to listen to experts about how they can keep themselves and their families safe. We all might learn more about cleaning, airflows and exposure to possibly infected groups of people to the benefit of our health. It would be good if we pressed on with an airflow revolution in health settings and public places as it is not just CV 19 we can pick up from such exposure. It is a good idea to keep hands and home surfaces clean to cut our risk of catching something.

What surely we now wish to avoid is missing out on so much normal life, particularly the things we do with friends and family and for our entertainment. These are the things that makes life worthwhile and more enjoyable.

State borrowing

In the year to March 2021, the pandemic year, the UK state borrowed an extra £298bn. This was well down on the original forecasts that the state would borrow almost £400 bn extra, and well down on the budget forecasts just four months before the year end of an extra £354bn. State debt as a percentage of GDP has hit 100%, a level breached in many other advanced countries. I would normally be concerned about such a level of borrowing. On this occasion there are two large offsets which means so far it has been fine. The first is

interest rates remain near zero, so the cost of servicing the debt has actually fallen despite the rise in the amount borrowed. Second, the state is busily buying up £875bn of it. In practice therefore the state debt to GDP ratio has actually fallen to around 60%, a level which the EU and many Central Banks think is just fine.

The way out forecasts by the Treasury of much higher borrowing numbers over the last year than happened show how difficult it has proved to forecast how the UK economy would respond to the extreme damage of the pandemic policies on various sectors. It also shows the tendency to pessimism by officials. From here assuming we press on with a proper recovery and do not lapse back into closures and restrictions on business the deficit should tumble. Spending will plunge as furlough and social business schemes end, and revenues will surge as more money is spent and flows through business tills. The best way of getting the deficit down is faster recovery. That needs tax rate cuts, not rises.

As the economy recovers we should look to private business and families spending more and to public intervention less. More state spending cannot be on sufficient scale or wide ranging enough to level up most people and areas. It will take strong private sector growth in better paid jobs and more business success to achieve that. The richer parts of the country are the ones where there are more businesses and more better paid private sector jobs.