

## Levelling up

The government is we are told working up an agenda to show how levelling up will take place. Under Secretary Gove all the main departments are being harnessed to the task.

They should begin with the Treasury. The anti enterprise policies of IR35, higher National Insurance and higher corporation tax have to change. The temporary super deduction from Corporation Tax for investment is not sufficient given the longer term big hike in rate. The treasury should take Corporation tax down to 15% and cut taxes for the self employed and small business.

Mr Gove's own department should come up with a planning policy which encourages more house building in parts of the countries with cheaper land and a shortage of new homes to buy. Now many more people are home working for at least part of the week there is less need to overbuild close to London.

The Business department should take more positive steps to encourage import substitution and more made in the U.K. It should revitalise domestic oil and gas to displace imports, and put in more reliable electricity capacity. An industrial revival needs more affordable and reliable energy.

The Environment department needs to reboot its subsidies and regulations to foster more home food production, in place of its current model of wilding the U.K. and importing food.

I will look in another blog at training and education, to help more people on a personal journey to job and business success.

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## Carbon counting has its limits

Yesterday I drew attention to some of the many areas where carbon counting is the main driver of U.K. policy. As a few of you point out, it does not seem to drive the one policy where some of you want it most. One of the most obvious ways to cut the UK's carbon footprint would be to cut inward migration. Every additional person clearly adds substantially to CO<sub>2</sub> output as a direct result of their personal output and all the output needed to supply them with food, heating and transport. Indeed additional people are in the first years more carbon intensive as we need to build additional homes, surgeries, schools and utility capacity to accommodate them. Their very way of transport to get here is also carbon intensive.

The anger of people about the migration is increased when they hear leaders tell us the U.K. must do more to control CO<sub>2</sub>. The more people we invite in

the more we need to throttle back to compensate for the extra CO<sub>2</sub> from an expanding population. The Home Secretary says she intend to close down the people smuggling and trafficking. So when? When will the new legislation go through? How will she make it less attractive for people to come here illegally? When will border enforcement crack these smuggling rings and arrest the boat owners and people runners?

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## The place of carbon counting in policy making

The UK has been the most successful larger country at cutting its carbon dioxide output since 1990. Some of this was a gain for our economy and society as well as a win for the world, where new investment substituted more efficient fuel saving ways of making and growing things or generating power. Some of it was not a gain for us or the world where it entailed ceasing doing something at home and importing from somewhere else, often in ways which increased the amount of carbon dioxide produced in making and transporting them.

The world system for counting and managing carbon dioxide output is understandably based around the national production of carbon dioxide. As the policies to cut the output of CO<sub>2</sub> are decided and implemented by national governments (or the EU) and companies acting under national laws, that makes sense as a means of management. It does not, however, make global sense if countries decide to cease making or growing things that produce a lot of CO<sub>2</sub> in order to import them and shift the CO<sub>2</sub> onto another country's budget. It is positively harmful both to the country ceasing production and to the wider world if as a result the addition of CO<sub>2</sub> from long distance transport and or from more carbon intensive ways of production in the exporting country actually increases the total world output of CO<sub>2</sub>.

In the UK it appears that many officials and some Ministers regard national decarbonisation as the main or only imperative in thinking through policies. In the energy department there has been a mad dash to close down coal power stations, to block new gas combined cycle stations and greatly increase reliance on imported electricity through interconnectors. If we end up importing power which comes from Russian gas or German coal that is not a win. The same department has been keen to plan the run down of existing gas and oil fields in the North Sea and to prevent new connections to untapped reserves that are discovered. Instead they prefer we rely on increasing volumes of imported oil and gas during the "transition". The agriculture department seems worried by methane from cows for milk and beef cattle, so it offers grants to wild our land and to make us ever more dependent on imported meat and dairy products. It allows us to mainly import salads, flowers and other items needing greenhouse heating from the Netherlands

instead of helping the UK create more jobs and cut the food miles with more home production. The Business Department watches as the UK retreats from aluminium, steel, ceramics and other energy intensive manufactures, only to rely more on imports.

In each case departments need to give greater weightings to the need for more better paid jobs and more successful businesses in the UK, and the need to increase national resilience at a time of disrupted world trade and global shortages. They need to also see that even given their main preoccupation, CO2 output, there is a case for doing more at home to cut the food miles and to improve the fuel efficiency of processes in industry.

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## [This site and allegations about individuals](#)

Some of you wish to post items based on Labour's latest campaign about the conduct of Conservative MPs. Others wish to counter post, examining cases involving Labour MPs and their conduct. This site has no wish to do this and is not equipped to investigate the truth or falsehood of the various charges being made. Both sides need to understand that both sides will have their posts binned to be consistent and fair. Writing and publishing an untrue attack on anyone could be a libel.

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## [Carbon pricing, carbon offsets and green wash](#)

As we near a final text from COP 26 it appears the main producers of CO2 in the world are wedded to their fossil fuel economies and most plan to produce more CO2 over the next few years. China is planning more coal power stations, Germany is keen to keep hers at least for this decade, India thinks she needs to burn more fossil fuels to grow her way to better prosperity. There will be no new Treaty out of Glasgow. The idea was to flesh out the Paris Agreement with detailed national plans and targets, and to move towards more global enforcement of action through sharing information and applying moral pressure to countries that are falling short. There was never any plan to have an EU like structure with enforcement in court and with sanctions against non compliance.

Meanwhile the rich and powerful of the world turn to carbon offsets to allow

themselves to enjoy private jets, air conditioned hotels, grand meat meals and the rest. Faced with charges of hypocrisy when they lecture the rest of us on stopping travel by passenger jet or diesel car, and criticising our reliance on gas boilers and meat from the supermarket, they tell us they have offset their more extravagant carbon based lives by buying pardons. They identify an investment in trees or windfarms or solar panels somewhere and claim that part investment as an offset for their carbon generation. The offset market can grow massively, as there is a plentiful supply of potential projects that some agency will rate as suitable as an offset.

The EU has also established a system of carbon permits. If a company wishes to burn fossil fuels to make steel or cement, it needs to buy or be granted carbon permits to allow it to burn the necessary fossil fuels in the process. There is much discussion about what the price of the carbon permits should be. The market in them has recently driven the price up to Euros 60 a tonne of carbon. This is now a substantial added cost on industrial activities that require a substantial fossil fuel input.

I would be interested in your reactions to this activity. There is a need to avoid scams and greenwashing. There has to be an understanding that this will make things dearer as the cost of carbon taxation enters the industrial calculations.

I was talking to a London taxi driver yesterday about the new electric cabs. He pointed out that they also contain a 1.5 l petrol engine which can be turned on to keep the battery charged. Apparently to get the range for a day's work the petrol engines are much used. Such developments need to be taken fully into account when trying to work out how to decarbonise transport.