

DINNER/DISCUSSION SUMMARY

Can cities move to a sustainable economy without a public sector stimulus?

Held at The University of Newcastle on 10th February, 2011

The Foundation is grateful for the support for this meeting
from the University of Newcastle.

Chair: **The Earl of Selborne GBE FRS**
Chairman, The Foundation for Science and Technology

Speakers: **Professor Paul Younger FREng**
Director of the Newcastle Institute for Research on Sustainability at Newcastle University
Dr Peter White
Director, Global Sustainability at Procter and Gamble (P&G)
Chi Onwurah MP
MP for Newcastle Central

PROFESSOR YOUNGER defined sustainability as being "enough for all forever". As 75% of the population would be living in cities by 2050, creating sustainable cities - taking full account of their environmental and ecological hinterland - must be at the core. Sustainable urbanism could itself be defined through form - buildings, infrastructure and spatial relations - or through process - public health and societal ethics. Eco-cities, built on green land were no solution; we had to deal with old cities with an established industrial heritage, such as Newcastle/Gateshead - now the number one sustainable city. Its success had been, and would in future depend on, a substantial expansion of science and engineering knowledge, based on a joint strategy with the University and the city authorities. The contribution of the Newcastle Institute of Research on Sustainability (NIRES), as a catalyst for change with global lessons, was vital. A resource efficient scenario envisaged accommodating growth with an increase in land use of only 14% and an energy reduction of 81%. But there was no magic bullet; there had to be changes in both supply and demand - in public attitudes to resource use as well as technological innovation leading to CO₂ reduction. A start would be an analysis of CO₂ emission throughout the whole production and use route. Renewables, such as offshore wind, geothermal, and transport changes such as the use of electric cars and better public transport were essential. Behind such changes must lie public participation by all affected in the region, itself fuelled by education in the need for sustainable development and how it can be achieved. To do all that without public investment would be to increase risk. But we must build on what we have; strengthen public/private partnership and concentrate on understanding the implications of whole life costs of resource use.

DR WHITE emphasised the crucial role of major businesses in making possible sustainable growth. They could both drive innovation and understand how to shape the interest of the citizen and consumer in supporting and welcoming such growth. He outlined the vision of Procter and Gamble (P&G). With world wide sales and employees it saw it's future to be linked to enhancing consumer satisfaction with sustainable products and processes. This could not be done by reducing the range and quality of products but through products which used (and required consumers to use) less resource; better operations and logistics; a sense of social responsibility; employee awareness; and stakeholder endorsement. 70% of the population would buy greener products, provided there were neither significant price or quality disadvantages. The

aim should be to target them - not those who would never care or were committed. The approach should be science based - understanding and evaluating the impact of processes and products throughout the life cycle; looking at operational inputs as an "end to end" strategy including manufacturing, supplies and transport. It was important to develop networks and find partners. Social responsibility was enlightened self interest, not philanthropy. Employee engagement meant commitment to sustainability not only in work but also in relations in the wider community, particularly in education. The long term vision for the company was to use 100% recyclable materials; 100% renewable energy and zero consumer and manufacturing waste. Innovation and partnership were the keys to developing in the public an aspiration for a sustainable lifestyle and in industry a means of delivering it.

MS ONWURAH said that for her, as a Newcastle MP, sustainability meant everyone had a good job without destroying the planet in the process. Regeneration of cities was crucial for sustainability and this would not be successful without external public stimulus; the private sector could not do it on its own. There must be a strategic vision encompassing public authorities, universities and the private sector - for which there were good Swedish examples. Regeneration depended on the economy providing jobs, which meant rebalancing the economy towards manufacturing and industry, so that they could provide the jobs which would be lost in the public sector. Newcastle had been a leader in manufacturing in the past, but had declined through global economic changes, bad management and damaging government policies. But it could regroup, and with emphasis on innovative industries and growing sectors flourish and, indeed, leap ahead (Nigeria provides an example). Newcastle's vision should be for a well-educated workforce in sustainable industries such as offshore wind and electric cars. The universities must play a major role in research and education - and NIRES was a valuable asset - in collaboration with industry and local authorities. The University inspired students to research and innovate and developed in them the ability to take up jobs in local industries. But she was concerned that there was no government strategy which would produce a consistent path for growth. The key elements should be competitive markets, based on good supply chains; university research with sensible targets; ensuring SMEs (small and medium enterprises) had the resources to grow if given help with technical infrastructure; good transport links; a full range of skills - from PhDs to apprentices; and finance - which means grants and incentives. But, above all, growth will not

happen without certainty and stability - uncertainty kills. Newcastle can be in the forefront of sustainable development - but only with changes in government policy.

Much of the following discussion concentrated on processes for changing people's behaviour and aspirations - the key to reducing demand for energy and other resources. Three major elements were identified, all of which were interlinked - information or communication, social cohesion and influence, and regulatory pressure. For all of these elements partnership between public authorities, universities, and private industry was vital. In education, the influence of the university, ranging from its research to its effects in changing the aspirations, concerns and lifestyles of its students and to its links with industry, was applauded. But there was a danger in concentrating too exclusively on tertiary education. There was wide concern about the reduction in numbers of students wanted to study engineering and science, but the shortfall could only be tackled at an earlier stage, by engaging pupils in secondary school (or even earlier). So it was disappointing that there were no head teachers or science teachers at the meeting. But it was good that both the University and big companies such as P&G encouraged staff to talk to schools and inspire pupils to do science - but much more needed to be done. Perhaps more worrying was the significant proportion of children in the region who were not only not interested in science, but not interested in education - or the chance of getting a job - at all. Often these were in families where no one had worked for two or three generations. This group was not only a financial burden on earners and taxpayers, but disruptive to social cohesion - so essential if the region was to work together for growth. Communication also of course fed into education but had wider implications - such as the wording on packaging, public initiatives on resource use. It would be an important role for NIRES. If change was to come from "nudge" rather than regulation, communication of benefits which could come from voluntary action was important. Social cohesion often meant in practice doing what your neighbour did because you thought that she/he was doing the right thing and you wished to get approval by following them. It was helpful that the NorthEast had traditionally had a strong regional loyalty and sense of neighbourly help.

Speakers noted that the question posed for debate was about cities, not just Newcastle, and that cities were different, with different problems and opportunities. Cities were not all equal, and particular problems arose in cities in declining regions. While Newcastle/ Gateshead might be regenerating themselves successfully, the North East as a whole was lagging behind other regions in growth, household income and life expectancy. Prosperity for the city while the region lagged was fragile. Speakers were concerned that the abolition of the Regional Development Authority (RDA) which considered the problems of the region as a whole, was retrograde and doubted the ability of Local Enterprise Partnerships (LEPs) to fill the gap. But the overall performance of a region could also mislead - London, for example, had much higher economic indices than the North East, but had worse areas of dereliction, exclusion and poverty. The City had great wealth, but basically London was an unsustainable city. All cities had social, economic or environmental problems, which required different solutions. But common features for regeneration were to build on past success, know current strengths - such as Newcastle's heritage of engineering in large structures, - a work in partnership' and leadership. Even small steps required leadership - such as in London, Livingston's pedestrianization of Trafalgar Square, and Johnston's bicycle initiative. But leadership could not of itself lead regeneration

unless it worked in partnership and built democratic support for public policies, and consumer and stakeholders support in the private sector. Leadership in cities fitted in well with the governments localism policies - as long as these were not interpreted as meaning that national or regional leadership was not also necessary.

The role of regulation in changing public attitudes and enforcing standards had advantages and drawbacks. On the one hand regulation (e.g. on smoking or recycling) had changed people's attitudes and behaviour for the public benefit, but on the other could be seen as intrusive. For industry, it had forced alterations in operations and supply chains, but was often found to stand in the way of growth and adaptation to changing circumstances (such as planning restrictions or over zealous H&S requirements.) Regulation was often particularly hard for SMEs who did not have time or resources to understand or implement them. The current government's obsession with deregulation could slow progress towards sustainability.

Newcastle/Gateshead's success in sustainable development lay in its exploitation of its industrial heritage of engineering and scientific skills; its strong tertiary educational sector - Further Education as well as Higher Education - with its research base; the way its public and private sectors worked in partnership; and its use of NIRES to use data and develop concepts. But if local efforts and initiatives were to be fruitful, there must be help, encouragement and leadership from government. Cities could do more for themselves and promote cooperation between private and public sectors so that they work in partnership. But public sector stimulus was needed.

Sir Geoffrey Chipperfield KCB

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