

## **Cornwall shows Labour's green revolution needs governance from the ground up**

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The substantial majority achieved by Keir Starmer's Labour Party in the general election represents an unprecedented opportunity for economic and industrial transformation.

As the King's Speech showed yesterday, Labour's net zero agenda will be at the centre of story. The green transition is seen by Labour not only as part and parcel of 'securonomics', putting the country on a more secure and strategic path through the geopolitical challenges that beset Western liberal democracies. It is also seen as a key propellant of a more active and place-based industrial policy with the wealth and prosperity of workers and communities at its heart.

As one of us has previously argued [elsewhere](#), places like Cornwall stand to be particular beneficiaries of this policy prospectus. Cornwall today lays claim not only to world-leading natural resources in the ground and in the sky, but also a handful of locally-focused Labour MPs elected in rural and coastal constituencies that the party has traditionally struggled to connect with.

In a culturally and politically distinct region that due to premature deindustrialisation has always lacked a strong labour movement, Labour has only ever had, at best, one MP at a time in Cornwall. The last Labour MP in Cornwall was elected in the Blair landslide of 1997, inaugurating a period where levers of power at both the national and local level linked up to leverage policy support and investment.

The hope is that this combination of local representation and national delivery can once again benefit workers and communities in Cornwall. It comes at a time where Cornwall faces significant socioeconomic challenges twinned with significant opportunities tied to its strategic importance to the future resource security of the UK.

In this piece, we want to consider the forms of local governance and institution-building that can support this strategic role and further Labour's net zero aspirations in areas like Cornwall.

## **Green transition and good growth**

Net zero is increasingly seen not only as an ecological intervention but as a process of economic change—with new sectors, jobs, and skills demand emerging whilst others decline. The economic changes brought by net zero—from deindustrialisation to reindustrialisation—will be different from previous patterns of economic restructuring in several ways.

First, whilst people found some resilience in previous rounds of industrial change by travelling further for work, labour mobility is now more limited by social networks, the housing crisis, and ever-higher transportation costs. Second, net zero does not only threaten the job loss associated with deindustrialisation, but is also characterised by a strong narrative of opportunity associated with reindustrialisation. In many cases, the new work and better, greener jobs hold the potential of positive consequences in precisely those areas impacted by previous rounds of deindustrialisation.

To date, national net zero policy has primarily been sector-driven: seeking to back particular technologies and sectors with a comparative advantage (such as carbon capture, utilisation and storage). However, the opportunities and impacts of this will be regional and rooted in place: many green sectors of work—such as hydrogen, electric vehicle manufacturing, and offshore wind—will cluster in regions in places that either have the natural resources or the skills, infrastructure and institutional capacities to support them.

Regions without such capabilities will need to play catch up, requiring concerted policy and action and governance interventions for capacity-building, skills development, and supply chain growth. These regional dimensions of net zero necessitate a place-based governance approach to ensure that all regions benefit and no communities are left stranded by the transition.

## **Cornwall's georesources revival**

The economic opportunities of net zero and the governance challenges of ensuring that such promise is fulfilled can be brought into focus through the consideration of Cornwall as a very specific place within the UK. Cornwall has what it takes to be a breadbasket for the georesources needed for sovereign supply in the metals and minerals pivotal to the green transition; however, there is a need to secure the skills, infrastructure and institutions that can support the process of reindustrialisation this would entail.

Cornwall is on the geographic and economic periphery of the UK: its economy is primarily reliant on agriculture and tourism with many of its population reliant upon hospitality or health and social care work for income. Workers in Cornwall are typically

paid less than the regional South West average and national average. This difference is made more pronounced by a housing crisis: in which Cornwall's popularity with retirees and tourists has led to a surge in demand pricing many young locals out of housing in the region.

Cornwall's history is rooted in its industry and as a hub for the mining of tin and other minerals. It experienced both rapid industrialisation and population growth and a premature, prolonged process of deindustrialisation and depopulation in the space of a few hundred years, both driven by the changing fortunes of local extractive industries. By some estimates it took Cornwall until the 1970s to recover the population it had in the 1840s when mining families first began to leave in search of work.

This history has today become re-inscribed as a promise for the future, with the region's granite depths found to be home to the majority of the UK's critical metal and mineral reserves needed to support a new age of renewable energies and net zero. The region is perhaps home to the biggest such deposit in Europe. Its unique geology home to several resources is now deemed critical or strategic to the UK's future in the context of ecological and geopolitical crisis: tin, lithium and tungsten.

These reserves have been presented by many as a key promise for a new economy for Cornwall and its communities. Cornwall's future is mapped on to in the region's history of mining: companies are using historic mine workings to drill and explore, with older mines—such as South Crofty, which operated for 400 years up to 1998—due to reopen.

Less clear, however, is how such an economy might be purposed to support the deprived places and communities in which many operations are located.

Many of the operators seeking to take advantage of these deposits emphasise ESG and 'social license to operate', with particular stress on their role in developing local supply chains, robust value chains and accessible job creation. There are potentially as many as 3000 direct jobs across plants; with an estimated multiplier of upwards five times that in terms of indirect jobs via services and contractors. Average starting salaries in current recruitment rounds are as much as £60,000pa. But the sector requires governance support in building the skills pipelines, infrastructure and institutions that will allow the gains from this to be shared.

The successful positioning of Cornish minerals and metals deposits in the UK's net zero economy can promise new, good and green jobs for many people in the region. Yet, it can also become characterised as yet another unfulfilled economic promise. A key way of ensuring that any future green economy in Cornwall is inclusive and place-sensitive is understanding what practical place-based governance mechanisms can direct, animate and ensure the accountability of future national policy and safeguard opportunities for the region.

## **Good governance for good growth**

Green economy opportunities in places like Cornwall need to be situated within broader questions of governance. In particular, the incoming Labour government needs to consider the importance of place-based green skills and jobs agendas to ensure that the economic benefits of this transition remain in the region. A comprehensive, place-sensitive and community-focused approach is needed to ensure that the benefits of net zero in Cornwall and elsewhere are enjoyed equitably.

This would include the development of inclusive, place-based skills pipelines that support young people into green careers and support lifelong learning for older workers to retrain. The opportunities for movement and progression that such careers should sustain would be fostered by the provision of supply chains that allow for broader economic benefits to be grounded and experienced in communities across the region—rather than being exported across global value chains and markets.

More broadly, there is a potential for green investment to go some way in providing a long-term alternative to the European structural funding that supported communities across Cornwall and the subsequent Shared Prosperity Fund, which is set to end in the spring leaving many parts of the economy and civil society facing a financial cliff-edge. This would help address the overlap between emergent green jobs and skills agendas and current regional inequities, tensions, and governance challenges related to housing (availability and affordability) and infrastructure (i.e. public transport and National Grid).

Labour's devolution agenda has promoted the notion that decisions should be made by those with 'skin in the game', and net zero will change the institutional responsibilities and possibilities that define which public institutions, private employers, and community organisations are best-placed to guide place-sensitive transitions in Cornwall and beyond.

This requires serious thought about which governance mechanisms, structures and approaches provide avenues for ensuring a just, equitable and positive net zero transition for Cornish communities. Drawing on examples from elsewhere, approaches include regional commissions, sovereign wealth funds, and place-based skills programmes.

A Labour government should also recognise the importance of devolution deals in allowing regions to work with the national government to develop policies that support place- and community-sensitive transitions and provide new layers of policy and political accountability in a net zero transition.

This focus on devolution is important as a Level 2 Cornwall Devolution Deal was signed in November 2023. This deal gives Cornwall Council powers over the adult education

budget and includes the creation of a Cornwall Floating Offshore Wind (FLOW) Commission. Against the constraints facing local authorities today, the task for Labour is to encourage the further development of these tentative forms of devolution to ensure a place-based, community-sensitive green industrial policy. Cornwall, in this sense, is just one case relevant to a much broader array of localities.

These initiatives project forwards the potential governance routes available to ensure that the promise of green jobs and skills is fulfilled at the regional level to support communities who have experienced historical economic peripheralisation. Cornwall, and regions like it, may soon become the foundation of net zero transition in the UK. This has a tangible economic potential for the region and its communities—yet, strong governance mechanisms are required for the good growth this promises.

In this context, the election of four effective Labour MPs representing those areas richest in the natural and mineral resources that will drive the green transition in the UK is a pivotal first step to bringing new government focus to the far west of these islands.