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Event Summary

Khaki Green: national security and opportunities for growth in the green transition

24-25 April 2024

EXECUTIVE SUMMARY

This summit set out to explore the intersection of national security and economic prosperity within the green transition. It asked what the UK's role should be in the context of increasingly protectionist industrial policies. Where does the UK's comparative advantage lie, and how can it ensure that these advantages are used strategically in this challenging international context? It examined what we could learn from US industrial policies, and how opportunities between like-minded countries could be coordinated.

Our discussion began with a reaffirmation from an American participant of the continued relevance of allies in managing a green transition. Diversifying supply chains away from China would be a significant challenge, it was thought, and one that was perhaps too difficult to achieve. Therefore, the US should lean on its allies, both for raw materials and manufactured goods. This could be an area of potential collaboration between the UK and the US, with advanced nuclear technology, offshore wind and carbon capture, usage and storage seen as key industries for this collaboration.

However, while collaboration with the US was highlighted, there was little consensus on how applicable a US model would be to the UK. Further still, participants questioned the logic of the Inflation Reduction Act itself. Where manufacturing is only marginally profitable, how will new industries fare in 10 years' time when credits and subsidies no longer apply? Additionally, some participants questioned if 'high technology' driven growth would apply to the UK, especially considering that a previous iteration of this 'high technology' growth in the interwar period was deemed unsuccessful. Others, however, emphasised that the UK and the US are already too far behind China in existing technologies to be the dominant global player. Therefore, they argued, the UK and US should use existing innovation to 'leapfrog' its investment into next-gen or second-next-gen technologies, an area in which China does not already have the advantage. It was also thought that the UK should recognise its advantage in research and development, with world class universities and under-appreciated public sector research establishments.

There was much disagreement on how to finance the green transition, whether that be by investing in new technologies or in financing infrastructure expansion. Pensions, changes to

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Treasury Green Book rules and national wealth funds were all raised as potential financing paths, but none garnered much enthusiasm.

There was also disagreement over the market structure for facilitating investment into infrastructure. It was thought that CfDs, while useful in the past, would have to be updated, as we have gone as far as we can with the present market structure. There was debate over what this new structure might be, considering both ‘top-down’ and ‘bottom-up’ mechanisms. There was consensus, however, on the point that we should learn from water sector deregulation for the ownership of assets. ‘Who do we want owning our assets?’ emerged as a key question for future discussion. More broadly, however, participants debated the level of government intervention in the market and its ownership of assets, with Labour’s proposal of GB Energy highlighted as relevant. Finally, it was considered crucial that communities be brought along for this change, but that there should not be an assumption of resentment of further investment by governments in the form of infrastructure.

Turning to national security, there was little consensus on engagement with China. Some participants thought we should form a new coalition of partners to respond to the fracture that already exists in global trade, while others felt escalating tensions with China was unhelpful and that deeper diplomatic engagement should be pursued. Still others felt that the trade-offs were simply too high to move away from Chinese-dominated supply chains. A final group highlighted the limited impact the UK could have, with its position outside a major trading bloc. Ultimately, however, climate policies were collectively understood to no longer be insulated from increasing tensions with China. Where previously the UK and US were focused mainly on technology and military issues in measures against China and open to engagement over climate, this ‘small yard’ was now expanding.

Exploring our relationship with the Global South, participants highlighted the risks of replicating colonial extractive relationships. Without developing these emerging market economies further up the supply chain, what incentive would they have to engage with Western investors, especially when China can provide quick, ‘no strings attached’ investment. Some participants argued that the normative authority of the US is now also coming into question, further undermining their attractiveness as an investment partner. Further still, attempts to break into these markets may be a ‘high cost, low reward’ strategy. Russian and Chinese companies dominate the mining industry and practices are efficient and relationships long cemented. However, it may be strategic in the long term to have a base from which to scale up production, despite its high cost and low reward in the short term.

While the WTO was criticised as a forum, there was consensus that the UK should stick by its partners in the G7 and consider closer engagement with the EU, especially due to the possibility of shared physical infrastructure as the UK becomes a net exporter of energy.

Participants

This summit brought together major players in renewable energy, with representatives from Orsted and Octopus Energy present, as well as innovative renewable energy companies such as Ripple and Ridge Clean Energy. There were also leaders from the world of geopolitics, with representatives from the ministry of defence, FCDO and APPG on Climate and Security. They were joined by influential thinkers in economics and academia from the Blavatnik School, Durham Energy Institute and LSE, as well as British politicians and special advisers.

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FULL REPORT

Introduction

There were three main assertions that set important context for the debate at this summit. **Firstly**, there has been a pivotal shift in governments' priorities when setting climate policy. Climate policies are now firmly in the sphere of national and economic security thanks to the expansion of scope for de-risking of Chinese supply chains. The focus of climate politics has shifted from an ideological commitment to responsible stewardship, with its targets, commitments, and declarations, to a tool of strategic rivalry. Climate targets have not been wholly abandoned but are now forced to contend with an increasingly unstable political environment. Climate policy is now simultaneously a tool of strategic rivalry, while also struggling to respond to the instability that flows from this competition.

Secondly, this shift away from ideological targets and towards delivery served to highlight the strategic and economic trade-offs that must be made. This resulted in spirited debate and laid bare the lack of consensus around the fundamental issues of engagement with China and government intervention into markets.

And finally, looking to the future, participants predicted that, whether the next US administration is Republican or Democratic, it would likely continue to pursue its strategic rivalry with China. 'Geo-economics' or 'economic statecraft' in the green transition is a reality that the UK must now contend with, and this is no easy feat. Participants highlighted the lack of consensus on the definition of 'industrial strategy', and the lack of understanding that it is no longer rooted in Labour's industrial policies of the 1970s.

For the purposes of this summary, the discussion will be split into domestic and international perspectives, although this is clearly an artificial division. As one participant described, 'defence, development, diplomacy and domestic' concerns are all intertwined in the green transition. Another participant described a 'triple bottom line' – the environment, economics, and national security – that now requires consideration. With this caveat, the section on international perspectives will cover the UK's relationships with the US, China, alternative partnerships, and multilateral institutions. The section on domestic perspectives will define an industrial strategy, outline its financing, and highlight the challenges of building infrastructure.

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International Perspectives

Learnings from the US

Despite the US reach for independence, it was suggested that a green transition would require partners. In a study[1],Third Way highlighted ten clean energy technologies and each segment of their value chain. One third of these segments had both an accessible market value, and the potential for durable competitive advantage. However, some technologies were in areas in which the US could simply not compete, most starkly in critical minerals. It was seen as key for the US to seek partnerships with exporting countries, but also with the UK/EU in investing in third countries. The UK, for its part, was seen to have the potential for competitive advantage in industries such as offshore wind, carbon capture usage and storage, and advanced nuclear technologies. The US was also hindered by its cumbersome regulatory processes, with limited interoperability between state-based regulations.

Some participants questioned the durability of the Inflation Reduction Act (IRA), specifically section 45X, which outlines the tax credits for advanced manufacturing production. Where manufacturing is marginally profitable, how will these new manufacturing bases fare in 10 years when these credits no longer apply? It was thought that investment should be prioritised in areas where China does not already have an advantage and that the US should use existing innovation to 'leapfrog' ahead. Investment therefore should be in next-gen or second-next-gen technologies where China does not currently enjoy a dominant position, giving more 'bang for your buck' in investment. This would not only be a model for the US, but also for the UK.

There was also discussion about the merits of the Loan Programme Office, which offers loans and loan guarantees for a wide range of transport and clean energy projects, and the potential for the UK to create something similar. While this has undeniably been successful in the US, it also has multiple drawbacks, for example: it is incredibly labour intensive, often leading people to turn to traditional loans instead. Additionally, it was thought that companies have to jump through hoops for access to loans, and the office wouldn't survive another prominent failure (after Solyndra). Furthermore, the UK would struggle to have one organisation that has the same competencies as the LPO does – 'our innovation financing ecosystem is too fragmented'. Most crucially, the LPO by itself does not create demand, which is what is lacking in the UK. The LPO aids pathways that ideally would be happening anyway, namely, channelling investment into high-risk climate investment projects.

There were other examples given of successful US policies that were also thought to be impossible to adapt to the UK context. For example, the UK Treasury would be incapable of replicating a US tax credit scheme – one participant thought that it was far easier to tax things that are 'brown' than to credit things that are 'green' in the UK system. There was scepticism not only about drawing too heavily on specific US policies, but of 'high technology' driven growth in general. Participants felt we in the UK should reflect on our

[1] For more detail on this point, please see Third Way's research When America Leads: User Guide to Competitiveness Research and Analysis – Third Way

own interwar 'technological modernity policy' that left Britain weaker and with a slew of failed projects in its wake.[2]

In terms of new potential policies for the US, Carbon Border Adjustment Mechanisms were raised. It was noted that there is momentum in US discussions on Carbon Border Adjustment Mechanisms, and these discussions are increasingly bipartisan. It is seen as a tool that meets all three points of the 'triple bottom line'. However, harmonisation across economies currently seems too hard a challenge, despite possible benefits as a 'shadow carbon tax'. It was also emphasised that India would likely refuse a Free Trade Agreement if a carbon adjustment tax were to be imposed. Despite working as a hypothetical, participants noted that when trade and industry negotiations hit reality, good ideas are often ripped apart.

Engaging and competing with China

There was little consensus on how to engage with China, with the viability of de-risking supply chains challenged. While there has been political tension, major companies such as Apple were still reliant on their Chinese supply chains. Additionally, China accounts for 16.9% of GDP, and is the US's third largest trade partner. How realistic could this decoupling be?

From a security perspective, the US has vulnerabilities that do not apply to the UK and EU, such as Taiwan and physical vulnerability in the Pacific. Could this give the UK and EU more flexibility in engaging with China?

There was no consensus on the type of trade-offs we were willing to accept with China. How could we turn away from cheap Chinese products with the cost-of-living crisis we are experiencing? Additionally, our attempts at diversification may be in vain, as dependency was seen to already be built into wind, battery production, and critical minerals. If an IRA-style policy were implemented in the UK, it would only shift 5-7% of our dependence on China. Do we target diversification for its own sake, or do we create partnerships to reduce the impact of this dependency? Some thought we should approach this through diplomacy, using the UK-China Energy Dialogue as its basis, and thereby managing the risk rather than accelerating the problem.

In other discussions, there were two, diametrically opposed, schools of thought. One said that we are driving towards a fracture and need to take a more realistic approach about competing with China. This would mean forming a new coalition of trading partners (the UK, US, EU, Canada, Australia, New Zealand, Japan, Korea, Taiwan, India). The key here would be India, which is the only place, other than China, that has the manufacturing depth you would need to get to the scale required. There is risk, however, on relying wholly on India. They will be badly impacted by rising temperatures in the short to medium term, making it a risky investment environment. The other school of thought simply said that we can't compete with China, we can't get them out of our supply chains, and disengagement is impossible.

For those who felt disengagement was impossible, the 'trade-off' approach was suggested. What would the relative losses and opportunities be and how would we manage them?

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[2] For more detail on this point, see participant Thomas Kesley's paper, BSG-WP–2023-056-When-Missions-Fail.pdf (ox.ac.uk)

Others thought that escalating tensions with China was unhelpful. To borrow a metaphor from climate change, we are exclusively talking about adaptation (i.e. a more defensive approach focused on how best to diversify away from China), as opposed to mitigation (i.e. how to manage our relationship with China so we don't need such geo-economics in the first place). There was no consensus on this point, with some participants arguing that we were already past the point of 'mitigation', while others argued that this competition with China should be viewed positively, as a driver of investment into renewables.

The more critical among the participants argued that China's consistent trade surplus means it has been "taking growth from the rest of the world" and rather than responding to external pressures to change policy, it has doubled down. If China's influence was lessened, and growth more equitably distributed, the chance of conflict may decline. If the UK were to act as part of a bloc, they may be able to take on China at scale, and we should look to realignment to reduce risks in a conflict sense.

As *e*vidence for the argument that we were beyond mitigation, one participant highlighted the inability to insulate climate policy from wider tensions. For example, in 2022, Beijing suspended climate dialogue with the US due to former House Speaker Nancy Pelosi's Taiwan visit. There has, however, been bilateral engagement on climate since.

The Nation People's Congress's announcement on 'new productive forces' was feared by some participants to represent the escalation described above, as China faces an increasingly difficult economic environment and responses to US tariffs. However, these new productive forces don't necessarily indicate a new frontier in the relationship between the US and China. Rather, it could be viewed as a continuation of existing policies. That said, this unchecked reproduction of tensions could be seen to be a problem in itself.

Most provocatively, one participant questioned the assumption of a democratic alliance against China and the petrostates. They argued that the US is also a petrostate and is looking increasingly authoritarian. Could the alliance actually present as an EU-UK-China grouping formed against the US as the dominant petrostate? This was met with laughs by some participants, but several agreed that this was not an inconceivable suggestion. Why would the US risk a decarbonisation agenda, which may entail risky entanglements, when they are already energy independent and the largest producer of gas globally? However, when viewed in the long term, their energy dominance would be undermined if the cost of renewables undercut the cost of oil and gas, thereby also undercutting the US dominance. It was thought that, to be a major energy player in the long term, the US should continue on its path of investment.

Alternative partnerships for the UK

As a base assumption, most agreed that the UK should increasingly be reaching out to other economies to create a sustainable (both economically and ecologically) bloc to counter the protectionism of the US and China. Who these partners should be, however, sparked much discussion. Some feared that other economies, especially larger ones such as Brazil and India, might take the 'wrong lesson' from the current competition between China and the US, while other major economies pursuing protectionist policies was seen to be a legitimate risk.

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Another point of contention lay in the risk of replicating colonial relationships with extractive practices, especially in the mining space, without development of host economies further up the supply chain. China in this instance might be a more attractive partner, as they are unburdened by this history. How do you support their ambitions, while also prioritising and developing the UK economy? Countries in the Global South[3] may also resent the US assumption of its moral superiority over China, due largely to US inability to effectively influence Prime Minister Benjamin Netanyahu, meaning there may be unwillingness to engage with the US and its allies.

Some participants questioned the strategic logic of investing in the Global South. Other than Glencore, mining is dominated by Russian and Chinese companies. Those with experience of the industry argued that the UK and even the US has little chance in these economies because practices were efficient and relationships long cemented. On the other hand, despite it being an expensive exercise, there may be an argument for limited investment, especially in innovative projects. They will, in all likelihood, not be profitable, but may be strategic. In times of crisis, it is easier to ramp up already-existing production, no matter how limited, rather than starting from scratch.

There was consensus that a 'just transition' is interpreted differently in the Global South and the West. For the former, the emphasis is on tackling energy poverty, creating jobs and wealth, whereas the latter may focus more on environmental degradation, notwithstanding the US focus on job creation.

Engaging with the EU and other multilateral institutions

There was consensus that the UK needs safe trusted partners to mitigate the proliferation of disorder. This was not something that was seen as possible to achieve alone. The WTO was perceived as dysfunctional and no other fora were seen as ideal, although some suggested the G7 as the best bet. For the UK, there was a sense that we should be more realistic about our economic story and place in the world.

Despite this, it was argued that the UK will be a net exporter of energy in the long term, so integrating infrastructure, especially with continental Europe, was crucial. Participants stressed that we should maintain links with the EU in terms of regulation, supply chains and infrastructure. Others argued that Brexit, while troubling economically, has given the UK strategic flexibility in engaging with allies.

Domestic perspectives

What would a UK industrial strategy look like?

There was agreement in the group that the UK was failing to recognise its strategic position in a global economy, but views diverged on how to address this shortcoming. Some felt that we should consider where the UK holds the strategic advantage, what its USP is, and behave more like a startup, adopting an entrepreneurial and responsive approach. One area of

[3] Though some may see this as an outdated term, participants were specifically referencing countries which had been the subject of colonisation, so this term may be the most appropriate.

advantage noted was the UK's research and development industries. In comparison to China, which has been strategically investing in elite universities, the UK does not appreciate its advantage in its public sector research establishments, and more investment should be placed here.

It was suggested that we should replicate the model of the digital technology sector, which is the only industry with growth rates that are enviable, enjoying an average annual growth rate of 6.7% between 2016 and 2021 in the US. But there were also criticisms levelled at this model, with one participant stating that a 'Silicon Valley' model overlooked the social issues that plague San Francisco. Others highlighted the limited expertise within the Treasury in acting like a venture capitalist, and the greater accountability needed in 'wasting' public money. Traditional arguments against 'picking winners' were raised, but one participant argued that it was clear which industries should lose out – fossil fuels. The role of the government in ownership of assets was an unanswered question throughout the summit.

How would you finance a UK industrial strategy?

Participants highlighted UK Prime Minster Rishi Sunak's announcement of raising defence spending to 2.5% while investment into the green transition was still lacking. Some extrapolated from this that it was clearly an issue of political will, rather than financial restriction. Within the group, there was an implicit acknowledgment of the "ghost of [Labour's] 28 billion". There was criticism that the policy considered input (the cost) as the outcome (a successful renewables industry). What was thought to really matter was that the investment occurs, not how much it costs.

There was also disagreement on mechanisms to finance the transition. Pensions, changes to Treasury green book rules, and national wealth funds, were all raised as potential financing paths. There was, however, agreement that the transition to net zero will be an important path to growth and productivity, even if it is not a silver bullet, and is therefore also important more broadly to the UK economy.

In terms of investment, there was agreement that the current state of affairs in the UK is sorely lacking. There was consensus that the goal to transition to entirely clean power in six years was impossible (concretely, it would lead to a 211-terawatt hour shortage by 2030). If this goal is the centrepiece of our investment paradigm, then "we are on another planet". Similarly, floating offshore wind is far too expensive, costing 4.5 times the price of gas. If floating offshore wind is a significant part of transitioning to clean energy in the short term, then we should be more realistic about the plans we have set out. Some suggested the most powerful instrument currently at our disposal is the Contracts for Difference scheme, which could be expanded to wind, hydrogen and even critical minerals, though this was contested by other participants.

Participants felt there was enough capital in the private sector, but the question was: how do you get it in and at what cost? The big factor here is credible, consistent, clear policy. The current 2030 plan is not credible but, ironically, changing that plan reduces confidence, leading to a riskier investment environment. This is a catch-22. However, in this context, the long-term 2050 target is helpful. Governments can provide infrastructure for investment in this timeframe. This will include CfD, but will also need "larger scale investment vehicles".

There were multiple suggestions for what these 'vehicles' could be – all of which met strong rejoinders. Some were happy to reduce risk for private sector investment by passing costs on to consumers through energy bills ("a tax that you're not calling a tax"), while others thought this was unfair, undemocratic, and politically impossible. One participant pointed to KfW, which funds investment in Germany off its own balance sheet, as a model and wondered if UKIB could do the same. However, another participant disagreed with this characterisation of KfW, which "is still meant to generate a profit and is then refinanced by the German government, so it's not a model for a solution to the key problem". Another participant said that with a large majority, the next government would have more flexibility, as it is not reliant on green belt constituents and so can push through less popular policies.

The discussion then turned to fiscal rules. There was some agreement that fiscal rules 'throttle investment into insulation by demands that it only be guaranteed by one or two years'. In this context, the IRA was pointed to as a model, due to its long timeframe. There was consensus that this was a positive. However, another participant warned that the entire discussion around fiscal rules is 'a false debate' in a geopolitical environment where inflation could vary massively (primarily due to the Russia-Ukraine and Israel-Iran conflicts). One person asked if there was 'another version of the 1997 banking revolution', while another responded that there simply wasn't, and yet another wondered if we could get more pension finances into equities, to which concerns of political sensitivity were raised.

In short, the only points of consensus in one group were that longer term time frames and CfD are how to get investment into green energy sources, although other groups contested this assertion. All other ideas (guaranteeing low risk for the private sector by passing costs onto consumers, KfW as a model, massive top-down government investment made possible by a Labour supermajority, a relaxing of fiscal rules, a bigger role to play in terms of pension funds) were met with strong rejoinders.

Building infrastructure

The energy market in the UK was broadly criticised for no longer being fit for purpose. One participant highlighted that we have got as far as we can with the market structure presently and have hit a critical mass for renewable infrastructure. There is variable demand, which requires a more dynamic market. Upgrading infrastructure, therefore, requires a change of market conditions. Others highlighted the risks of 'dumping' new infrastructure onto the old, which is dominated by demand from London and the Southeast, would further embed existing problems.

Some suggested that a decentralised, localised grid would be a better solution. This would focus on reducing household energy costs through the creation of micro markets for green products, which could be more effective than further subsidies, particularly in rural areas. However, others noted the challenge of scale in the energy sector, with small-scale projects often more expensive and lacking expert advice.

Unlike those in the main plenary, the working group focused on infrastructure expansion was far more critical of CfDs moving forward. One participant argued that CfDs have been a clear success that has been replicated worldwide. Another participant criticised CfDs, arguing that they input a top- down design that should rather be bottom up and market led. The current investment landscape, according to one participant, doesn't reflect a competitive energy economy. Yet another argued that while the CfD scheme has been successful historically, and enabled scaling up, questions remain about its effectiveness going forward. There should instead be a focus on demand-side technology to take advantage of ample cheap wind and solar energy.

One participant highlighted that with efficient markets, Scotland could have the cheapest energy in Europe. However, the current investment landscape, which prioritises low risk, high return investments, is behind the times, and they advocated for a more dynamic market. Others highlighted that market mechanisms were insufficient, as net zero is a centralised goal needing centralised oversight and planning.

On government procurement of infrastructure like pylons, one participant acknowledged the downsides of having less competition, but suggested that the government needs to take a more active role in each stage. Initiatives like British Jobs Bonus and incentives for UK supply chains are necessary steps for implementation. In terms of ownership of assets, participants highlighted that there was much to learn from water sector deregulation, which would suggest the need for a more activist role for government, as signalled by Labour’s GB Energy. The participation of government became a familiar refrain throughout the conference.

There was also tension between participants over whether infrastructure should be focused around a centralised system, due to its importance for national security, or decentralised and more flexible. Management was likened to the Internet and supermarkets, with one participant arguing that ‘the control room for infrastructure is running like a minicab centre, when it needs to be run like Uber’. Some thought a modernised, more responsive, and flexible system for managing infrastructure was needed.

Another point of contention focused around community consent. There were the more familiar refrains of the need to engage communities in planning, but also pushback on the idea of ‘buying people off’, and the idea that post-industrial communities would reject investment. How to address Nimbyism and the related struggles were the topic of much debate. As a solution to the problem of community consent, participants were not convinced that a framing of patriotism, as was done in the 1960s grid expansion campaign, would be successful today, due to widespread disaffection and lack of trust in the government. A framing of resilience that focuses on offsetting energy vulnerability and cyber threats may have a more motivating effect.

Questions were also raised around increased demand from data centres and AI. British Volt, a once much-lauded project, has now been bought by the US private equity firm Blackstone, who intend to use it as a data centre. Some viewed this increased need for energy as an opportunity, but others viewed it as a threat to an already-overburdened grid. Unanswered questions remained, such as the role of the new ESO, how to encourage innovation, and how to avoid overbuilding. No consensus was reached on the ‘top-down, bottom-up’ debate, the role of decentralisation, and the level of government activism in renewable energy markets.

Conclusion: 'A cork bobbing on an open ocean'

Throughout the day, two divisions stood out as most problematic. First was the predictable question of the level of government activity in this strategically significant industry. What was arguably more interesting, however, was the bipartisan understanding that some level of intervention was necessary, although the level itself was contested. This applied to both the US, where both President Joe Biden and President Donald Trump were believed to be set to continue some form of the programme of subsidies outlined in the IRA, and in the UK, where the term 'industrial strategy' is increasingly shedding its associations with Labour's contested policies of the 1970s.

Also up for debate was the basic question of engagement with China. Some feared reliance on an increasingly confident China, no longer 'laying low and biding its time', while others still believed in the strategic diplomacy of *Wandel Durch Handel* or 'change through trade'. In defiance of both camps, a third highlighted the limited agency of the UK. As one participant phrased it, no matter our intention, the UK is still a 'cork bobbing on an open ocean'. With limited control over global inflationary trends, a weaker position in the UK-US alliance, and without the combined strength of the EU, the UK must recognise its own limitations in engaging with China.

Perhaps due to the fledgling nature of these discussions, throughout the summit these divisions were clear. As one participant highlighted, 'we are searching for clarity in a dark room'. It would seem useful therefore to continue discussions on the intersection of climate policy with national security and economic prosperity, both at Ditchley and outside of it.

Suggestions for future discussions were varied. Domestically, it was felt that more thought should be put into UK innovation policies, future industrial strategy for the UK and infrastructure planning. Internationally, participants highlighted the need for future discussion on UK-EU collaboration, the security risks of second order climate effects, and which trade-offs we are willing to accept between affordability and security.

In their closing remarks, our speakers highlighted the tension between these complex, nuanced discussions and the efficient messaging needed to communicate this with the public. People who lead busy lives and whose attentions are constantly pulled in many directions must be engaged in these issues too. An area of focus for the future should be how effectively to communicate these policy issues to the electorate. As was frequently highlighted at the summit, community engagement is crucial for the longevity of policy. Perhaps the greatest test of this will be the US Presidential election on November 5th, where President Biden's industrial policy, as well as his broader record, will be put to the test.

Ultimately, as one participant reminded us, as we have these conversations and debates, there is an underlying sense of urgency. Emissions trajectories continue to rise, and the UK is increasingly faced with floods, droughts, and heatwaves, as well as their secondary effects: food shortages, increased migration and destroyed homes. While occasionally divisive, there was absolute certainty at the summit that some action was needed here. Ditchley looks forward to continuing these discussions, and incentivising both this action and debate.