

# Blairism and the Countryside: The Legacy of Modernisation in Rural Policy

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### **Summary**

When New Labour came to power in May 1997, the Party's General Election manifesto had little to say about the countryside and rural policy, beyond a proposal to allow a free vote to ban hunting with dogs and a commitment to establish a right to roam. These were essentially 'Old Labour' issues and largely symbolic. However, in its early years the Blair Government became drawn more heavily into rural policy reform and increasingly came to see rural issues as a territory on which its grand project of national renewal and modernisation could be played out. A bold Rural White Paper and a set of radical decisions on how to implement the CAP at the end of 2000 marked the high point of Blairite rural reform. After that, Labour's rural policy was blown off course by the Foot and Mouth Disease crisis of 2001 and has since fallen apart with rural issues marginalised within the government machine. The culmination of Labour's rural policy modernisation has been the ignomy of the Rural Payments Agency affair in which new computers systems for farm subsidy payments catastrophically failed, which could end up costing the Government farmers up to half a billion pounds.

#### Introduction: The Rise and Fall of Blairite Modernisation

While Tony Blair's legacy is currently assumed to boil down to one word – Iraq — in the domestic sphere we might encapsulate his decade-long premiership with the word 'modernisation'. His administrations generally lacked a defining ideology, but modernisation served as the rhetorical device to justify much of Blair's reforms, whether it be modernising government, the health service, education or the criminal justice system. Modernisation evoked a forward-looking, purposeful and progressive reform agenda. "We have modernised the Labour Party and we will modernise Britain," the Labour Party's 1997 election manifesto proclaimed (1997, p.5). In this paper we chart the rise and fall of Blairite modernisation as manifest in the sphere of rural policy.

New Labour's modernising mission operated on two levels. The first was modernisation as a grand project of national renewal. This was modernisation as tackling inequality, promoting technological innovation, reforming the constitution and establishing a new style of 'Third Way' politics. The second was modernisation as a concerted approach to improving the performance of public services through administrative rationalisation and greater coordination and targeting of service delivery. This was modernisation as the introduction of new information and communication technology (ICT) systems in central government and its agencies and the expansion of the audit culture and performance management in the public sector more widely. The domestic story of Blairism is an account of modernisation as the grand project eventually being replaced by technocratic managerialism in the public services. The Blair Governments' strange and unexpected excursion into reforming rural and agricultural policy provides a case study of the rise and fall of modernisation.

Labour's 1997 manifesto had little to say about rural areas or rural policy. In contrast to Labour manifestos of old, there were no grand plans for land nationalization, agricultural tenancy reform or investment in rural public infrastructure. The proposals to establish a 'right to roam' across open country and to hold a free vote on outlawing hunting with hounds attracted much attention, but they did not amount to a rural policy and were redolent more of 'old' Labour rather than new. Even so, within a year and a half, the Labour Government embarked on an ambitious exercise to modernise rural policy. In this paper we examine why it took this initiative. For a period, from late 1998 to early 2001, rural issues were a prominent part of Labour's modernising agenda, but the following years saw the eclipse of rural policy, and we seek to account for this marginalisation in the later Blair years.

## 1997 - 1998 New Labour Chances upon Rural Policy-Making

If rural issues did not feature strongly in Labour's initial manifesto for government, how did the Labour Government get drawn into rural policy-making? Four factors propelled rural issues onto Labour's modernising programme. First, the Ministry of Agriculture, Fisheries and Food (MAFF) was widely seen as a failing department. It was the Ministry that had presided over the BSE debacle — probably the most damaging public controversy of the John Major years. It also had a reputation as a clientelist ministry overly preoccupied with the well-being of its producer groups, to the neglect of consumers and the wider public good. Lord Donoughue, one of Labour's new ministerial team at MAFF, records how he "was not entranced by thoughts of that notorious ministry, from which no minister in recent history had emerged undamaged" — the Ministry was decidedly at the "bottom of the pile in terms of Whitehall reputation" (2003, p.337). MAFF was a problem waiting for a solution.

Second was the problem of farm subsidies. Labour had taken office at a time of sharply falling farm incomes. The farming unions persistently pressed the Government to help out the industry with special emergency payments in addition to the usual subsidies under the Common Agricultural Policy (CAP). At the end of 1997, the Government agreed to an £85 million one-off emergency payment to livestock farmers. A year later a further £50 million was paid in agrimonetary compensation mainly to the cereals sector. In its first years in office, Labour operated an extremely tight fiscal regime and bailing out the farming industry meant even less cash to spend on new social and economic programmes. Dismay among ministers at these seemingly unexpected calls on public resources from the agricultural sector led the Government to take a keen interest in the pending CAP reform. The European Commission published its initial Agenda 2000 proposals for CAP reform in July 1997. These set a path for a potentially radical reform in which farm production subsidies would be pared back and a new 'second pillar' to the CAP would be established to bring support for environmental and rural development objectives. Proactive involvement with the Agenda 2000 process in the run up to the anticipated EU deal in the spring of 1999 provided an opportunity for Labour to re-engage the UK Government with the progressive reform of the CAP and to distance itself from the fraught relations with the EU of the Major years.

Third, Labour triggered rural institutional change through its drive to establish new Regional Development Agencies (RDAs) to pursue economic development in the English regions. The RDAs were put in place by bringing together the regional staff and funding programmes of English Partnerships — the Government's regeneration agency — with those of the Rural Development Commission. This left the question of what to do with the national policy, research and advocacy functions of the Rural Development Commission — an issue which

was resolved by merging them with the Countryside Commission and so establishing the Countryside Agency. Thus, this new and relatively powerful quango was not the result of any initial urge to improve the institutional machinery for rural policy, but a side-effect of setting up the RDAs.

Finally, drawing rural issues into New Labour's modernising programme served as a means of challenging the forces being mobilised during 1997 and 1998 to defend hunting. To broaden their popular appeal, the pro-hunters — led by the Countryside Alliance — presented their argument in terms of defending not only a sporting activity but also rural traditions and a key component of the rural economy. Even though senior ministers had little interest in the issue and regarded it as a great distraction, the Government risked being painted as prejudiced against rural life – an impression that the Conservative opposition, reduced largely to its English suburban and rural heartland, was keen to exploit. The 1997 election had yielded a new generation of Labour MPs in rural and semi-rural constituencies, and so there was pressure on the Government from its own backbenches to establish a positive agenda for rural policy to counter arguments that it was somehow anti-rural (Rural Group of Labour MPs, 1999). From the perspective of broader symbolism and electoral appeal, the promotion of a progressive rural policy helped New Labour to present itself as combating the forces of rural reaction marshalled in defence of hunting and to project a One-Nation populism that transcended the entrenched urban-rural divide.

However, during Labour's first two years in office there was a lack of a clear sense of direction on rural policy. The Major Government had produced a Rural White Paper, but this was now seen to be defunct. That had sought to tackle some of the interdepartmental and policy frictions at the interface between MAFF and the Department of the Environment — on matters such as rural planning and farm pollution — but such interdepartmental tensions seemed set to reassert themselves in the absence of clearer leadership and stronger coordination on rural matters. For example, when Labour's first Minister of Agriculture, Jack Cunningham, proposed to revamp MAFF as a Department for Rural Affairs and laid claim to the rump of the Rural Development Commission, the move was blocked by John Prescott who as Deputy Prime Minister jealously guarded his sprawling empire — the Department of Environment, Transport and the Regions (DETR) — which was seen as a key means for achieving Labour's ambitions for regional planning and renewal.

## 1999-2000: Rural Policy under New Labour's Grand Project

Gradually, rural issues assumed greater prominence and eventually they were swept into the modernising agenda. For a period - covering largely the years 1999 and 2000 - this gave

rural policy some political significance as part of New Labour's 'grand project' of social, economic and political renewal. Key initiatives included the setting up of the Countryside Agency, the development of a Rural White Paper and a radical new approach to implementing the CAP reform.

The Government announced the preparation of a Rural White Paper in November 1998 and preliminary work began in the Cabinet Office's new Performance and Innovation Unit (PIU). The PIU was intended to provide additional, research based capacity for the Prime Minister's Policy Unit to allow a longer-term perspective to be taken. It reported directly to the Prime Minister and was seen as a key feature of his seemingly more presidential style of government (Hennessy, 2000). For its first set of projects, Prime Minister Blair had been presented with a list of around 30 possible topics, from which he had selected five, including rural economies, revealing the political priority accorded to rural policy at the time.

The PIU drew together a special Rural Team who formulated a set of basic principles for rural policy and made recommendations for change to government policy. The approach adopted embodied the 'grand project' style of New Labour modernisation in several respects. It was conducted within a Prime Ministerial think tank which lifted the exercise out of the Whitehall departments and reflected the centralising and presidential tendencies of Blair's administrations. The Rural Team were outsiders to the main departments responsible for the delivery of rural policy and included the obligatory management consultant and an academic.<sup>1</sup> This promised not only a fresh approach to old problems, but one which could be synoptic and cross-cutting across government, transcending departmental silos and special interests. The report assembled a wide evidence base, drawing on academic studies and earlier policy reviews conducted within or for government (e.g. Minister of Agriculture's Agricultural Advisory Group, 1999). In formulating the principles and direction of policy change, it framed the trajectory of reform as having begun with post-war 'Old-Labour' concerns about agricultural productivism, protectionism and planning, and argued that times had changed and action was now needed on several fronts to modernise - i.e. to put the stamp of New Labour on - rural policy.

The PIU report was submitted to the Prime Minister in July 1999 and published in December (PIU, 1999). In the meantime, Blair happened to make what was widely regarded as his definitive speech setting out the political aspirations and challenges facing the 'grand project' of modernisation. The speech, to the Party Conference in September, proclaimed New Labour as "the new progressive force in British politics which can modernise the nation".

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<sup>&</sup>lt;sup>1</sup> The first author of this paper.

He spelt out what he saw as "this historic mission .... to liberate Britain from the old class divisions, old structures, old prejudices, old ways of working". The 21st century, he argued, "will not be about the battle between capitalism and socialism but between the forces of progress and the forces of conservatism". The battle lines seemed clear. On one side were "the new radicals, the Labour Party modernised". Opposing them were the "forces of conservatism", found "not just in the Conservative Party but within us, within our nation" and among "the old elites, establishments that have run our professions and our country too long", with their "old air of superiority based on past glory".

As the speech was being delivered, outside the conference hall the Countryside Alliance were holding a demonstration to protest against proposals to ban hunting with hounds. Their campaigning had sought to present the Government as, at best, out of touch with what they called the 'rural way of life' and, at worst, actively hostile to it. The farming lobby also protested at the conference. For many commentators, these protesters were easily cast as an embodiment of the forces of conservatism. Indeed, the Prime Minister had joked about the Countryside Alliance protestors delaying the start of his speech, and had gone on to mock the Conservative Party as "the party of fox-hunting" to laughs in the Conference Hall. The symbolism was potent. The forces of progress marshalled inside the hall were meritocratic, radical, multicultural, feminist, and embracing of change. In contrast, the protestors baying outside drew on rhetorics of tradition, 'little England' nationalism and an anti-urbanism. In a profound way 'the rural' thus helped constitute the dialectic of New Labour's modernising mission.

The PIU Report gave a strong political and strategic steer to the preparation of the Rural White Paper which was eventually published in November 2000. The White Paper served as a framework for spending the bonanza announced in the autumn of 2000 by the Chancellor, with some £1 billion allocated to rural programmes over the following 3 years. It projected an inclusive One-Nation ideology and was resolutely change-oriented. Preservationist visions of "picture-postcard" England were rejected as out-dated and, instead, the White Paper set out its goal as "to help people in rural areas to manage change, exploit the opportunities it brings, and enable them to create a more sustainable future" (DETR, 2000, p.11). It sought to encourage public and private investment in market towns and to strengthen their role as hubs for ICT, public transport and commercial and public services for their surrounding hinterlands. It urged farmers to exploit the new environmental economy through speciality foods, provision of environmental services and farm-based tourism and leisure. It promised "a new deal on services" to ensure that rural communities would benefit from increased

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<sup>&</sup>lt;sup>2</sup> Labour Party (1999) Speech by Tony Blair MP, Prime Minister to the Labour Party Conference, 28<sup>th</sup> September, (http://www.labour.org.uk, 30.9.99).

investment to improve public services and tackle social exclusion (p.31). It sought to revitalise parish councils, and improve co-ordination and 'rural proofing' of policies affecting rural areas both nationally and at the regional level (Lowe and Ward, 2001).

While the Rural White Paper was a bran tub of new initiatives and programmes, what was perhaps the most significant departure of the Blair era in rural and agricultural policy was announced a few weeks before its publication — namely, the Government's decision to use its new discretion under the reformed CAP to move resources from the first to the second pillar. The move was strongly opposed by the farming unions but supported by conservation and rural development interests. It represented a notable retreat from the free market 'Scrap the CAP' stance of previous UK Governments and Treasury orthodoxy, and instead positioned the UK Government in the vanguard of progressive CAP reform (Lowe *et al.*, 2002).

### 2001 to 2002: The Foot and Mouth Crisis as a Turning Point

The publication of the Rural White Paper in November 2000 can now be seen to represent the high point of New Labour's ambitions for reform of rural policy. Three months later, Foot and Mouth Disease (FMD) broke out and what followed proved to be the most damaging and destructive FMD outbreak anywhere in the world. This and its aftermath derailed Labour's 'grand project' of rural policy reform. During the seven-month epidemic almost 6.5 million animals were slaughtered in a crisis estimated to have cost £5 billion to the private sector and £3 billion to the public sector (National Audit Office, 2002) and which delayed the calling of the 2001 General Election. Following his second landslide victory, Blair shuffled his cabinet and reorganized Whitehall. Unexpectedly, and to signal a break from the nightmare of FMD, he created a new Department — the Department for the Environment, Food and Rural Affairs (Defra) — to replace the old MAFF and appointed Margaret Beckett to head it.

Defra was set up as the country and government were getting to grips with FMD. The crisis not only caused havoc for those farmers, vets and officials involved, but also over-turned popular understandings of farming's place in the rural economy. Surveys during the crisis revealed more than 40% of non-farming rural businesses as being adversely affected as people stayed away from visiting rural areas (Rural Task Force, 2001 p.12). The economic loss in rural areas was later estimated to be between £2.2 billion and £2.5 billion mainly due to reduced spending on domestic tourism (Lessons to be Learned Inquiry, 2002, p.134).

The Government seemed to have absorbed the point emphasised by the 'Lessons to be Learned' inquiry that "The way ahead for agriculture, including animal disease control, must be in the context of an overall strategy for the rural economy in which agriculture is but one

of a number of interests" (HM Government, 2002, p.139). Preparations had been in hand before the 2001 election to reform MAFF into a more territorial department responsible for integrated rural development. However, Defra was not the result of this careful planning, but a set of functions hastily thrown together. The additional inclusion of environmental protection in its portfolio was reported at the time to be a result of demands made by its new Secretary of State, Margaret Beckett, when discussing her responsibilities with the Prime Minister as he put together his new Cabinet. Defra's Permanent Secretary subsequently explained the events as follows:

What was planned was the implementation of the stated Manifesto commitment of the Labour Party which was for the creation of a Department for Rural Affairs. What was unplanned was the decision in the course of 8 June that it would be a department which included environment *and* rural affairs (emphasis added)<sup>3</sup>

The period since its creation has seen Defra's policy agendas increasingly centre on environmental sustainability. Where rural affairs and rural development were once envisaged in a central and integrating role within the new department, they have effectively been marginalised by stronger policy agendas around climate change and sustainable development. Where the intention had been to raise the profile of rural affairs policy across government, the accident of history that is Defra has actually had the opposite effect.

The process began with one of the post-FMD inquiries — the Policy Commission on the Future of Farming and Food — which was charged with responsibility for charting a new strategy for agriculture. The Commission was chaired by Sir Don Curry, a cooperative agribusinessman and livestock farmer, and was given a strong steer by the Prime Minister's Office that it should focus on the economic and environmental sustainability of the food and farming industries. The Commission presented a highly sectoral, supply-chain perspective on the future of the farming industry. Key among its recommendations was an expansion of agri-environmental schemes and measures to strengthen the market orientation of farm businesses. Essentially this allowed farming and environmental interests to (re)capture the funds being released by the painfully achieved CAP reform. Of course, this suited farming interests, but it also encouraged environmental interests to look towards the gradual 'greening' of the CAP as a means of redirecting farming subsidies towards environmental objectives, rather than more fundamental reform. Thus, increasingly, farming subsidies were presented as a solution rather than as a problem, as agriculture came to be seen as a means rather than the ends of policy.

In response to Curry, the Government launched its *Strategy for Sustainable Farming and Food: Facing the Future* in England in December 2002. The Strategy was backed by £500

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<sup>&</sup>lt;sup>3</sup> Brian Bender, Defra Permanent Secretary, giving oral evidence to the Commons Select Committee on Environment, Food & Rural Affairs, Minutes of Evidence, 21/11/02.

million of investment from the Government over the period 2003-06, most of it devoted to the co-financing requirements (to match CAP funding) of new types of agri-environmental payments to farmers. Missing from the Curry report and the Government's subsequent Strategy was a sense of how the development of farming might be better integrated with the economic development of rural areas. In refocusing attention and spending on the farming industry, wider rural development was left as the poor relation to agricultural policy.

## 2003 to 2006: From Grand Project to Technocratic Managerialism

At the behest of the Treasury, the Government embarked on a protracted process of institutional reforms to rationalise the various agencies, subsidies and grant schemes relating to farming, the countryside and rural development. Modernisation of rural policy as part of a grand project of national renewal came to be replaced by modernisation as the rationalisation of service delivery. Lord Haskins, former head of Northern Foods, who was one of the Prime Minister's trusted troubleshooters, was asked how to simplify the delivery of rural programmes. The Haskins Review brought about a streamlining and cost-cutting exercise called Modernising Rural Delivery. A key proposal was to amalgamate the various national agencies involved in managing the countryside to create an integrated agency to promote sustainable use of land and the natural environment. As an exercise in tidying up the machinery of government, particularly the relationship between Defra and its quangos, this could have been a worthwhile, if limited, exercise. However, the Haskins Review took a much wider swipe at the institutional and policy landscape. Although its central preoccupations were with agriculture and the rural environment, it referred constantly to rural policy and rural delivery. Its farm-centred view of the rural world put the clock back to the time before the Rural White Paper and the establishment of Defra.

The efforts of Defra to embrace a wider rural policy agenda were dismissed. While Haskins's clear intent was to clip Defra's wings, his judgement on New Labour's other major rural organisational creation – the Countryside Agency – was that it should be axed. His review recommended carving up its functions, with the landscape and recreational programmes going to the new land management agency. Haskins was a Board member of Yorkshire Forward the RDA, and he proposed that the RDAs be given overall responsibility for rural social and economic programmes. The Countryside Agency was the main champion of the Rural White Paper and the upshot of its abolition was in effect to bury the White Paper.

In July 2004 the Government published its full response to Haskins in the form of its *Rural Strategy 2004*. Rather than a broad rural policy framework, the Rural Strategy was preoccupied with the institutions regulating and funding agriculture and land management.

Specifically, it established the new agency (Natural England) to oversee farming's environmental payments and the protection of valued landscapes and biodiversity. It had little if anything to say on topics such as local government, rural services, transport, rural business support, training, the voluntary sector and rural housing, which are major issues in rural localities. Such shortcomings reflected Defra's limited experience in the non-land management aspects of rural development and revealed how far removed from local priorities the concerns of the centre had become. However, with the abolition of the Countryside Agency threatening to leave no national voice for rural social concerns, Ministers relented and agreed to set up a small Commission for Rural Communities in its place to act as an advocate for the disadvantaged in rural areas.

However, the Countryside Agency's operational responsibilities for promoting the social and economic welfare of rural areas were transferred to the RDAs. While there were concerns that the RDAs, with their preoccupation with urban regeneration and infrastructure, might not be well equipped or particularly inclined to give a rural focus to their work, these concerns were heightened by a sense that Defra itself was left poorly equipped and not strongly inclined to act as a forceful champion of rural interests with the RDAs. There was instead an ominous impression of Defra having quietly shelved its responsibilities for rural affairs and not assuming the active promotional role that had been pursued by bodies that were being wound up such as the Countryside Agency, the England Rural Affairs Forum and the Market Towns' Advisory Forum. Particularly telling were the small and diminishing resources (of the order of 2%) that Defra allocated to rural policy. Even the Defra Directorate for Natural Resources and Rural Affairs (one of four) was substantially slimmed down and renamed 'Living Land and Seas'.

Despite many platitudes about decentralisation and public involvement, the Strategy failed to provide any greater clarity and coherence over how decentralisation might work below the regional level. There was nothing on the role of local authorities, and very little in the way of specific decentralising reforms. On the initiatives in parish renewal, localism and community development that the Rural White Paper had promoted, there was a deafening silence. The sense that Labour was charting a socially progressive agenda for rural areas, which had pervaded the White Paper, was lost.

While the grand project to modernise rural policy was derailed by the FMD epidemic, modernisation as technocratic managerialism, with its clipped ambitions, might have been expected not to attract such hubris. However, it has done so, albeit on a lesser scale, but more worryingly the failings appear to be systemic, being found in other policy areas also. Modernising service delivery has tended to involve the development of new IT systems, many

of which have been over-ambitious or badly-managed, resulting in a succession of hugely costly failures. The 2006 debacle of the Rural Payments Agency and the Single Farm Payment is a case in point.

The Rural Payments Agency (RPA), an Executive Agency responsible for the administration of CAP subsidy payments to farmers, was established by Defra in 2001 in response to the Modernising Government agenda. It was based on an ambitious IT-enabled business change programme aimed at improving its services and reducing costs. The Agency was also soon faced with a radically different way of making payments to farmers. Europe's agriculture ministers agreed in 2003 that the 11 different direct payment schemes to farmers could be combined into a new Single Farm Payment (SFP) which could then be disassociated from any specific output requirements (the term used was 'decoupled'), to reconcile the CAP to international trade rules. Defra was keen to introduce the SFP as early as possible, which was the 2005 CAP payment year. To achieve this self-imposed timetable, an evolving 'hybrid' system was decided upon that would combine a declining proportion of farmers' historic payments with an increasing proportion of area-based payments. It was recognised that this system would be administratively more challenging, but Defra ministers believed that the benefits were worth the risk.

Concerns began to grow in the autumn of 2005 about the RPA's ability to meet the deadline for paying the new SFP to farmers by the end of the financial year. In March 2006 Margaret Beckett, announced that the bulk of SFP payments would not be made by the end of the month. The IT system for validating claims and making payments had, as Defra's Permanent Secretary later described it, "gummed up" 4. The Chief Executive of the RPA was replaced on the same day. Indeed, not all payments had been made by the end of June — thus risking a penalty from the European Commission. The cost of implementing the scheme was budgeted at £76million but, by March 2006, had reached £122million, with further cost increases likely. The National Audit Office (2006) estimated the delays cost farmers between £18million and £22.5million in additional interest and arrangement fees on loans. The House of Commons Environment, Food and Rural Affairs Committee warned in 2007 that the crisis could cost the Government and farmers up to half a billion pounds in all.

Under the Gershon review (Gershon, 2004), which set targets for efficiency savings across all government departments, Defra was committed to a reduction of 1,600 staff from the RPA by 2007-08. The RPA debacle was a result of an unfortunate collision between major policy change, organisational change and the introduction of an ambitious new IT system. Like

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<sup>&</sup>lt;sup>4</sup> Transcript of oral evidence to the House of Commons Environment, Food and Rural Affairs Committee, 15<sup>th</sup> May 2006.

many other parts of Whitehall, the shine of Blairite modernisation of government and public service delivery became tarnished through large IT systems failure. Defra did not seem to have thrown off MAFF's reputation for periodic and costly agricultural crises.

## Conclusions: The Withering of the Grand Project

There were signs in its early years in office that New Labour had an appetite to apply its modernizing zeal to the institutions and objectives of rural policy and in the process define a socially progressive agenda for rural areas. The role of agriculture would be rethought as an integral component of rural development, rather than as a separate economic sector. The UK Government would give a lead in Europe on the progressive reform of the CAP. A coordinated approach to policy for rural areas would be pursued across Government through such avant-garde means as rural proofing, the Rural Advocate, Public Service Agreement targets and the England Rural Development Plan. Evidence would be marshalled to underpin the systematic analysis of longstanding problems such as rural deprivation. Rural areas would be drawn into the digital world, ensuring their access to up-to-date public and commercial services. The push to modernise local government would even embrace the humble parish. The year 2000 marked the high point of enthusiasm for this reformist rural policy, which did yield significant innovations and breakthroughs in policy.

Then, in early 2001, FMD struck and retrenchment followed. Labour's re-election with a virtually unchanged majority in the midst of FMD drew the political sting of rural populism. At the same time the problem of agriculture was forcibly reinstated at the top of the rural political agenda. While 'the rural' thus ceased to perform its allotted role in Labour's grand modernising dialectic, a rethink of agricultural policy was demanded, but this presented itself as a technocratic challenge without a strong political narrative. Rural policy thus dropped out of the high politics of Labour modernisation and became a matter of departmental managerialism. Significantly, Number 10 did not cease to interfere, but the style shifted. No longer were think tanks used to set out the strategic direction for policy reform. Instead, there was a reliance on favoured businessmen and trouble-shooters to fix things. Defra was refocused as a department for environmental sustainability, with farming subsidies gradually greened. At the same time, 'rural affairs' was effectively dismantled as a national policy field as part of a larger exercise in institutional rationalisation and modernisation. Deprived of their high policy-making functions, departmental civil servants were expected to concentrate ever more on efficient and effective implementation. Unfortunately, they did not prove that proficient at the task of perpetually reshuffling and streamlining delivery agencies and Blairite modernisation in the countryside risks being remembered most for the vandalism of 'Modernising Rural Delivery' and the fiasco of the Rural Payments Agency.

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