

CONSERVATIVE WAY FORWARD SPEECH BY DR. LIAM FOX

THE BLAIR YEARS

As we remember the achievements of one British Prime Minister we prepare for the departure of another, entirely different one. 2007 will see the departure from No.10 of Tony Blair.

His Premiership will, in my view, be regarded in retrospect as a tragedy. A young man with everything going for him- 3 huge Parliamentary majorities, the good will of the British people and a golden economic legacy inherited from the Conservatives. Yet he has done almost nothing with it.

We must learn from the mistakes of the Blair years before we return to office.

I think history will judge Blair to have been a brilliant politician but a poor statesman.

And I believe it will be for two reasons. First, they will say “Blair didn’t do detail”. Everything has been about eye-catching initiatives and tomorrow’s headlines. When he should have been reading the small print he was too busy doing Blue Peter. Anyone who has successfully run anything knows that the difference between success and failure is getting the detail right.

And, of course, if your boss doesn’t bother with detail why should you?

So no wonder we have a shambles in immigration, on crime, in education and in the Health Service despite pouring in record amounts of public money.

And the second reason Blair will be judged a failure is that his government has never had any real ambition for Britain.

Too much short termism, too much about them, too little about the Country.

While India and China take a greater and greater share of our manufacturing, pharmaceuticals and biotech, in Blair’s Britain we are closing down chemistry departments and giving out degrees in Madonna studies. We have no right as a nation to prosperity in a competitive world yet New Labour has been so focussed on its own perpetual political campaigning that it has failed to prepare our country for the global challenges ahead.

What a wasted opportunity.

OUR POLITICAL CULTURE

At our Party conference in October I had the pleasure of hearing Senator John McCain speak. He said one thing that particularly stuck in my mind. He said that ultimately our people can take the truth, even unpleasant truth, more than they can take hypocrisy and deception. How right he is.

We live in a political culture where an increasing number of voters are disillusioned and distrustful when it comes to politics. And who can blame them after a decade of spin, manipulation and dishonesty of New Labour. We wait to see if the New Labour project turns out to be frankly corrupt but there is no doubt it has been corrupting.

Exciting new initiatives are thrown out and swallowed up by a hungry media with such rapidity that no one bothers to notice that there is little or no follow through.

Blair will apologise for any event in our history except anything he is actually responsible for.

Those who fail to support them are isolated or ridiculed. Those who oppose them are derided and vilified. 9/11 was not a tragedy for New Labour but a day to bury bad news. David Kelly was not a civil servant with a conscience but “a Walter Mitty” figure. 94 year old Rose Addis was smeared as a racist for having the nerve to question the quality of the health care she received.

How appalling that we have come to this.

The integrity of our political system is in urgent need of rescue.

CONSERVATIVE PRINCIPLES

That makes it all the more important that we understand, restate and implement the governing principles of Conservatism. Principles designed to advance the well-being of our country not feather the nests of politicians.

They are principles that have to be used to tackle different problems in successive generations as our society changes and evolves.

Each Leader needs to mould an agenda for their own time.

For Conservatism is neither a fashion nor a rigid ideology. It is a set of guiding principles to promote and protect our liberty and security. It is the maintenance manual for our freedom.

And to have the power to turn our principles into policy we need to be in power. Without power politics is just talk.

But in our increasingly complex political system with its increasing number of single issue parties it is more important than ever that we remember one of the basic political rules- that in Britain we avoid external coalitions by maintaining internal ones.

Good political management doesn't happen by accident- it is a skill. In the 1980s, Margaret Thatcher kept within her Cabinet a wide range of Conservative views. Of course, we all know she didn't agree with all of them. But she understood that to keep the Party together every part of the caravan had to get something out of it. And she understood that the strongest leadership came from the ability to win the arguments- the confidence to lead.

Those arguments and those principles are just as much needed by our country today as ever they were. Britain under David Cameron's leadership will be guided by the same set of timeless principles.

Let me mention just a few of them.

Don't spend money you don't have. Fiscal Conservatism, sound money, honest finances lie at the core of Conservative economic management. It is wrong to use up tomorrow's wealth to pay for consumption today. To mortgage the prosperity of the next generation to pay for profligate government now is immoral. If we want to see the lower taxes that are the way to stimulate activity in the future we must get to grips with the growth in government spending. That is why George Osborne is right to make the case for lower taxes but to promise economic stability first. And how

welcome it is to hear our pledge to reduce the share of national wealth that government takes over an economic cycle.

Next, we need to restate that competition is a good and desirable thing. Competition is the way we test out our different talents and skills, one against the other, in a free society, within the law and without recourse to conflict. It is competition that gives rise to diversity, diversity that produces innovation and the excellence on which progress is built.

And that competition is best achieved in the environment of a free market. Markets make better choices than governments can. Markets are not some abstract concept. Any market is likely to make better choices than a few politicians and bureaucrats because markets represent the judgements, interests and choices of potentially millions of people. A market is the combined wisdom of the many, government the decision of the few. Of course we require a body of law to regulate and ensure fairness in any market system but there is a world of difference between a light touch environment designed to maximise the success of markets and the heavy hand of the state trying to second guess them.

Let me give you another example- the case for championing the individual. Individualism is the way in which we liberate the talents that will lead to innovation and excellence. Strong individuals are the best protection we have from an overbearing and interfering state. Self reliance improves personal responsibility which is the necessary corollary of rights. Conversely every time government acts in a way that increases the gap between the decisions made by individuals and their consequences it diminishes their independence. And every time government diminishes both liberty and self reliance it sows the seeds of social breakdown for the future.

Of course, championing individual liberty doesn't mean that we do not fully understand our social responsibilities to our fellow citizens, our communities and the wider world. Far from it.

In recent months a number of us have been warning about the dangers of a broken society. Look at some of the trends we see. Rising violent crime. Rising family

breakup. Rising suicide rates. Rising truancy rates. Rising teenage pregnancy rates. Is anyone seriously going to tell us that this is symptomatic of anything other than an unhappy and increasingly dysfunctional society? We have seen a massive increase in state intervention and with what result?

Part of Labour's problem is that they can only see poverty in financial terms. What about the spiritual poverty that lies behind these statistics or the poverty of ambition that afflicts so many, especially young men in our society. If we want to tackle all these aspects of poverty then we need to understand the effect that broken families, drug abuse and lack of educational attainment contribute to that wider social poverty.

And let me say that we Conservatives have a proud history in tackling these issues. Winston Churchill talked about a safety net for all in Britain literally before anyone had conceived of Polly Toynbee!

But if there is an area of policy where Conservative skills are required today it is in the arena of foreign and security policy. The future of NATO, our transatlantic bond, nuclear deterrence, the defence pretensions of the EU- all of these are crying out for clear direction.

We live in an increasingly dangerous world but to listen to some commentators you would believe that security could be purchased at zero cost, that wars could be fought without anyone getting killed and we could have active armed forces without any casualties being suffered. The world is not like that. Only recently we celebrated Remembrance Sunday where we remembered those of previous generations who sacrificed for the freedoms that are all too often taken for granted today. There are those who say that if we fail in some of our current missions abroad it is because our enemies are right- that we are morally weak, made complacent by our material wealth and unwilling to defend our values in the way previous generations were. I believe they are wrong but we constantly need to remind people that liberty is not the natural state of the world.

The first duty of any government is defence of the realm- never let us forget it.

We are currently engaged in a massive struggle against those who hate our values and political system and want to destroy our way of life.

And if we are to succeed in that battle all our allies must act together. Common security requires common defence. That is why I have been so critical of some of our NATO allies over Afghanistan. It is becoming increasingly clear that the British, the Canadians, the Australians and the Americans (along with a few honourable others) see themselves as operating in a single force under NATO command while others, notably the Germans, the Italians and the Spanish view themselves as National forces under a NATO umbrella. This is just not acceptable.

You cannot agree to be part of a military alliance and then choose to deploy only to areas where there is a low level of risk. Our brave fighting men and women are prepared to put life and limb on the line not only for our security but for the security of our whole alliance. It is time that all our allies showed equal financial, military and political commitment.

And doesn't all of this expose the fantasy of all those who want to see NATO replaced by an EU defence identity. We may only be spending 2.5% of our GDP on defence but it's a lot more than Germany at 1.4%, Spain at 1.2% or Austria at 0.7%- and they want to cut it because it is too high!

There are three reasons why we cannot accept defence policy run by the EU. Firstly, they don't spend enough on defence and so could never replicate the strength provided by the American defence umbrella. Secondly, they have no common foreign policy outlook as the Balkans clearly demonstrated. Only American intervention prevented a humanitarian disaster resulting from Euro-paralysis. And thirdly it would be democratically unacceptable for British troops to be sent into battle on the orders of a supra-national body. That is an issue for a UK Government and UK Parliament answerable to UK voters. And it always must be.

We need to be the champions of the transatlantic bond that ties us to the United States- our strongest, most like-minded and most dependable ally. For we are seeing some very dangerous trends in the world outside. The failure to control nuclear proliferation. The rise of Persian Nationalism. And perhaps most worryingly, the rise of Russian nationalism. Russia has shown itself under President Putin to be willing to use oil and gas as a form of resource nationalism, a new weapon to achieve international political objectives. We have seen threats to the Baltic states, to the Ukraine and to Georgia. In a country where democracy and reform seem to be rolling

backwards, the 25% increase in Russian defence spending this year and discussions about the relocation of the Black Sea fleet to a Syrian port on the Mediterranean should cause us no little anxiety. Understandable optimism should never blind us to reality.

Incidentally, the fact that Russian and Iranian defence expenditure is being funded by our own addiction to oil and gas should make it clear that David Cameron's emphasis on renewable energy sources is as much a security as an environmental issue.

REALISM IN FOREIGN POLICY- DEMOCRACY THE LONG TERM PROJECT

This Conservative Party has a proud history, indeed a very long history. We've been around a bit and pretty much seen it all. That is why we are so well placed to add an air of reality to debates on foreign policy. Britain did not achieve all we have today overnight. It took us 150 years to get from Adam Smith to universal suffrage. There was 100 years between the abolition of slavery and women getting the vote. We are a liberal democracy but we were liberal before we were democratic. It was the development of our liberal institutions that underpinned and nourished our democracy- the rule of law, respect for basic human right, the exercise of individual economic liberty in a market system and the ownership of property that gave us stability. That is why we have a duty to explain that it will take time to develop democracy in some of the world's most fragile states. Democracy cannot be exported like some trading commodity- it has to be nurtured over time. Pretending that it can be done in short time scale is likely to give rise to disappointment at home and potentially dangerous resentment abroad. Realism as well as principle are the hallmarks of this Party.

FAITH IN THE FUTURE

Some people say that there is no point in voting- they're all the same. They say why bother- it won't make any difference. But we know you can make a difference because we did make a difference. The Britain we inherited in 1979 was economically broken, dominated by the unions and living in fear in the shadow of the cold war. We transformed this country because we were optimistic about what our people could be, trusting their instincts and building on their talents. We need to show that faith and optimism again.

People ask “what sort of society do we want to see”. Robert Louis Stevenson put it so well. “To be what we are and to become what we are capable of becoming, is the only end in life”.

We are not simply concerned with rewarding absolute achievement but also encouraging and rewarding effort. Only by fostering and rewarding the talents present in each of us will we fulfil our potential as a people.

But, unlike our opponents, we are not afraid of excellence- we revel in it.

We are not afraid of competition- we welcome it.

We do not repress individualism- we embrace it with open arms

We understand that there is no such thing as government money- only taxpayers money.

We revel in the task of defending our country from those who seek to harm it.

And we will never be blind to the needs of others, wholeheartedly embracing our civic duties towards our fellow citizens so that every one us and those who come after us will be the beneficiaries.

We seek to shape the world around us with our values of liberty not be shaped by the forces of repression.

We know it can be done. We have done it before. And we will do it again.