

# Vince Cable

## Conference Leader's Speeches

Vince's Leader's Speech at Brighton Autumn Conference, 2018



Conference, we meet at an absolutely crucial moment.

In the next few months the future of our country will be decided for decades to come. And history will record that Liberal Democrats have been on the right side of the Brexit argument.

Right to oppose Brexit in the first place.

Right to predict a bad deal.

And right to campaign for a 'People's Vote'.

But this party knows better than any other that there are no prizes for being right. We have to win, and the good news is that we are winning the argument. Brexit has left millions of people feeling frustrated, powerless and unrepresented. So as we campaign for a different future, we are inviting those people into our movement. It is not only those who voted REMAIN that are with us. More and more people are thinking again.

There is now a growing realisation that Brexit will be costly and painful: very costly and very painful if we crash out without a deal. The Brexit date may be 29th March, but it is only may be. Brexit is not inevitable. It can and must be stopped.

Over the summer, I spoke to rallies and meetings across Britain from Bristol to Newcastle to Cambridge. There are huge numbers of people who simply do not accept that we should drift into a messy, costly, divorce, who don't accept that the country cannot change its mind, or that a narrow decision taken by a majority of one generation should blight the chances of the next.

There are millions of people out there who haven't given up the fight, and nor will we.

I have put the Conservative Brexiteers into categories.

There are 'the True Believers', 'the Chancers', and 'the Conscripts'.

Let me say a little about each.

For the 'True Believers' – the fundamentalists – the costs of Brexit have always been irrelevant.

Years of economic pain justified by the erotic spasm of leaving the European Union. Economic pain felt – of course – not by them but by those least able to afford it. And the latest piece of nastiness from Jacob Rees-Mogg – calling into question the right of Europeans to stay in Britain and of Britons to stay in Europe: creating unnecessary worry and insecurity for millions.

The public don't mind what these people dream about behind closed doors – so long as their dreams don't become nightmares for the rest of us. It really beggars belief that the army and the police are now being asked to prepare for riots in the chaotic aftermath of a botched Brexit.

And billions – billions – of taxpayers' money spent preparing for disaster. Do you remember what we were promised? It was all going to be so easy: a painless, quickie, Las Vegas style divorce.

That brings me to the Chancers and to Boris – the Chancer in Chief. He and Michael Gove embraced Brexit after tossing a coin, or making a cold calculation about the quickest route to the top of the Conservative Party.

As Boris discovered in the last Tory leadership election, Michael Gove is the ideal man for a penalty shootout – right to the last moment you never know which way he will go. For his part, Boris Johnson is a real danger to Britain. He doesn't just resemble Trump – large, loud and blonde – he behaves more like him by the day.

Their cynical disregard for the truth, their treatment of women, and their inflammatory divisive language make Boris and Donald the Terrible Twins of the Rabid Right. The Chancers' answer to the prospect of pain is to ignore it; or lie about it; or say it is all the fault of Europe.

But the True Believers and the Chancers all save their greatest contempt for their colleagues: 'the Conscripts' – among them, the Prime Minister, the Chancellor, the Foreign Secretary and the Business Secretary.

These are people who have signed up to Brexit out of a misplaced sense of duty. They see all the benefits of staying in the single market and the customs union, but feel they must pretend otherwise.

'The Conscripts' are resigned to a bad outcome so rather than fight, they have elevated damage limitation to high principle.

They fantasise over something called "Frictionless Convergence". No wonder the public doesn't understand what Brexit is supposed to mean. I would go so far as to say that some of us are starting to feel sorry for the Prime Minister. It seems that even the European Leaders are moved to pity. It is obvious why.

She is dutifully delivering a policy she doesn't really believe in; failing in negotiations; losing public support; and all to appease a dwindling group of angry people in her party who will denounce her as a traitor, whatever she comes up with.

But when we feel sorry for the country's Prime Minister, something is seriously wrong. Our sympathy can only extend so far, while she puts the interests of the country second to the whims of the extremists in her party.

Deep down, the Prime Minister knows Brexit is a bad idea. A bad idea whose time has gone.

Even now, Theresa May could shock us all, by displaying true leadership.

She could admit that the Brexit project has gone badly wrong by conceding that the deal – any deal, or no deal – that she will bring back from Brussels is not going to be better for Britain than remaining in the European Union.

Instead of kowtowing to her enemies in the Conservative Party, she could lead her party and the country by opening her mind to a 'People's Vote' on the final deal.

It is far easier for Jeremy Corbyn to be brave on Brexit. This is his big chance. He used to be the campaigning backbencher who joined us in opposing the Iraq War and defending civil liberties.

In his new role he has kept his hands clean and his image polished by hiring hard left boot-boys and girls to do his dirty work.

They do the bullying and the intimidation of colleagues and he claims not to know. He indulges anti-Semitic bigots and pleads ignorance. But the nastiness shouldn't be allowed to obscure his abstention from the biggest issue of the day.

Next week hundreds, thousands, of Labour members and MPs will demand he changes course and backs a public vote on the final deal.

If Jeremy Corbyn will not say "I will support a People's Vote and I will fight Brexit", Labour members should wave him goodbye.

He is currently letting down the many people in Labour's heartland who now see Brexit for what it is A Tory project, pursued for Tory ends, of which working people will be the main victims.

But when we secure a People's Vote, we then face a huge task: Winning it. Brexit still appeals to many hearts, if not to many minds.

The Brexit campaign stoked the worst prejudices about race and immigration: remember those loathsome advertisements featuring queues of dark-skinned people; the mendacious claim that we needed to leave the EU to stop 80 million Turks coming to live here?

Dreadful stuff. But that was the Leave campaign. Not Leave voters.

We must sell better the benefits immigration has brought to this country workers who pay taxes to support the welfare state and an ageing population; and who are crucial to everything from the NHS – where there are 100,000 vacancies even today – to the high-tech industries.

But if we want to be heard, we have to listen.

We have to recognise that although overall immigration has not depressed wages, there is a strong public perception that it has done so in particular places and particular occupations, or exacerbated pressures on housing and services

So we need to invest in those parts of the country which feel 'left behind' and ensure that public funding keeps track of population growth, so public services can keep up with demand. And I don't accept the idea that it is some form of racism to want immigration to be managed like other parts of the economy.

I have personal experience of racism.

I embarked on a mixed marriage in this country when racism was rife.

My wife and children were being denounced as people whose very presence here would lead to rivers foaming with blood.

And I was thrown out of the parental home.

So I will never waver in my commitment to call out and stand up to racism in all its forms.

But we must understand that to dismiss all Brexit voters as racists is simply wrong and utterly counterproductive.

## **THE FUTURE OF THE EU**

And as we persuade people of a future within the European Union, we need them to know that the EU is changing.

I want the Liberal Democrats to be in the vanguard of a Europe-wide movement for reform. Opinion polling shows that disillusion with the European project is not unique to Britain. Across Europe, one in three members of the public express anti-European sentiment. Rather than let that grow, we must take on the those who got Britain and the EU into the Brexit mess.

And we cannot do this by going on about the virtues of the status quo. Macron and Merkel are recognising this in their countries too. They are in a very different place from the position taken by the French and German governments in 2016.

Whilst free movement is a fundamental principle of the European single market, the EU may yet conclude that protecting free movement means reforming free movement.

So, just as staying in the European Union is essential for the future of the UK, it is crucial to the future of the European Union to have a British, liberal voice at the table.

To argue, as Ed Davey did on Sunday, for a liberal approach to managed migration and to the refugee crisis, for compassion, for the right to a better life...and for respecting family ties.

More broadly, Europe needs a positive message of hope for those who look back to the past because to them it seemed genuinely better.

And for those who have experienced a decade of depressed living standards since the financial crisis, through no fault of their own.

De-industrialisation, globalisation, competition, liberalisation, automation – all these 'shuns' that were supposed to represent progress – have often meant a move from skilled and respected jobs to crap jobs: from certainty to insecurity.

We need a positive message and positive argument for a reformed Europe, co-operating

more, not less, on research, harnessing new technologies and setting world-leading standards. A Europe which can stand up to threats from Trump's America and an increasingly aggressive Russia.

In short, a better Europe.

A Europe fit for the 21st century.

A Europe focused on its citizens, and with the UK at its heart.

## **BEYOND BREXIT – A LIBERAL FUTURE FOR THE UK**

A deep sense of nostalgia has driven British politics in the last three years.

But I want you now to imagine a future where the Brexit story has reached its conclusion. We have secured a People's Vote and won. We are back at the negotiating table, no longer seeking to leave Europe, but once again leading the debate.

Try to imagine what a liberal, social democratic, reforming government would bring to Britain.

### **A LIBERAL ECONOMY**

Our over-riding purpose would be to restore a sense of fairness and opportunity to a country where both have been lost.

I have always been a believer in a liberal approach to the economy but we are currently getting all the disadvantages of a market economy and few of the benefits.

An economy unhealthily built on debt: overindebted households; overindebted companies; over-indebted government.

Inadequate investment. Stagnant wages.

Grotesque rewards for undeserving fat cats: for short term performance or even for outright failure.

Yet it doesn't have to be like this.

A better approach to business isn't an idealistic fantasy. When I left Parliament for a brief exile, I became – and I remain – the chair of the country's largest social enterprise...

HCT is a highly successful transport company combining commercial discipline and social purpose. Many companies can and do operate in this way: it must become the norm not the exception.

We believe there should be ample opportunities for business to invest and innovate, make money and create jobs.

We also believe in active government.

We're not afraid to intervene when the market fails.

As a Minister, I was proud to launch the Financial Tech sector through the British Business Bank, as well as the Green Investment Bank and the Catapult network which has created a launch pad for many technological advances as part of a long-term industrial strategy. That's our model for the future.

## TECHNOLOGICAL CHANGE

In the face of relentlessly advancing new technologies, it is easy for people to feel powerless and threatened.

So we have to understand and regulate some of the technologies coming down the track. Jo Swinson and I are setting up a commission to look at how to turn emerging technologies from a threat into an opportunity.

And if we embrace these technologies, imagine the potential. The potential for robotics in care homes; for machine learning which can detect the first signs of malignant tumour or detect fraud for blockchain which can enable massive, secure, clinical trials and quantum computing which can out-compute computers.

Britain could and should be a leader, investing massively in our science and technology base. And imagine how a government that wasn't distracted by the cost, and the trouble, of Brexit could use its strength and its borrowing power to invest in the environmentally sustainable infrastructure modern Britain so desperately needs.

Travelling from Workington to Hull, or Swansea to Wrexham, or Dover to Penzance – let alone smaller places on the way: these are epic journeys which show how poorly connected modern Britain remains.

Even the much-hyped Northern Powerhouse has now dwindled to little more than an unheeded cry for help.

We can start to put this right, by breaking with the economically foolish conventions of public sector accounting which treat borrowing for productive investment in the same way as day-to-day spending.

The demands of climate change alone require that boldness. Take the tidal lagoon in South Wales. The Tory government has killed it; we would resurrect it. And imagine putting the country to work, building the green Britain of tomorrow, with hundreds of miles of new railways and broadband cabling. That is the future a liberal, social democratic, reforming government could bring.

## TAXATION

We would also resurrect a sense of fair play in the way the government raises money. The tax proposals you endorsed this week would be a start.

We need to reverse the trend of fewer and fewer people hoarding the nation's wealth. Those on modest incomes should pay less tax, and – indeed – Liberal Democrats in government delivered lower taxes for the low paid. But the wealthiest should pay more. We would tax capital gains from assets at the same rate as income from employment, instead of discriminating against workers and the self-employed.

We would abolish inheritance tax and replace it with a levy on large financial gifts received over a lifetime.

And we would rebalance pension tax relief away from the highest earners, towards those least able to save.

These reforms could raise substantial sums. We would not splash the money on short term spending. It could be invested in a sovereign wealth fund, saving for the future. And that fund would be further boosted by the eventual sale of RBS shares.

The public do need to be assured that their taxes are put to good use. That is why we argue for a penny in the pound on income tax, earmarked for the NHS and social care, as a stepping stone to a tax specifically set aside for the NHS.

And we would concentrate funding on the mental health crisis, building on Norman Lamb's work in government.

There are other services crying out for money.

Schools are seriously underfunded.

The police are being cut back to dangerous levels and crime is rising as a consequence.

And local government has been outrageously undermined.

Addressing these and other interventions will require additional tax revenue. When the next election comes, our manifesto will spell out progressive tax reforms. And also an honest approach to tax.

The principle is clear: every citizen and company should pay their fair share, and get back something for what they put in.

Nothing gets up the noses of honest taxpayers more than a government squeezing every penny it can out of small firms, while rolling out the red carpet for world-class tax-dodgers like Amazon, Facebook and Google.

To that end, we want a renewed offensive against individual and corporate tax dodging. In addition, we will:

...scrap outdated business rates, which are destroying our high streets.

...And reform company taxation for the digital age.

Contrast that with today's Labour party ...

...from the coterie of people around Jeremy Corbyn who until recently were on the Stalinist wing of the microscopic British Communist Party.

...and from economic policies based on a nostalgic view of the commanding heights of the economy – more relevant to the steam age than to the digital age.

Unlike them, we do not believe in magic money trees and pots of gold at the end of the rainbow.

**YOUNG PEOPLE**

What we do believe in is the power of education.

Layla Moran has set out the blueprint for a Britain which will prepare young people with both the academic and the vocational education they need to get on in life.

Putting the education profession back in charge, cutting testing and valuing teaching. Re-imagining inspection, so that schools are judged not on how many boxes they've ticked but how many children's lives they've changed.

And supporting schools who teach the most disadvantaged children.

The pupil premium was a Liberal Democrat invention, and success, and must be increased... so more money is targeted towards helping children from the poorest backgrounds. By contrast, the present government's financial squeeze on schools is leading to teachers and assistants being made redundant, and special needs being neglected.

All while scarce resources are diverted to the Tory ideological hobby horse: grammar schools. ... selective admissions are creeping back a generation after the 11+ was supposedly consigned to the history books.

We should be clear: selection is a byword for division.

It sets school against school; pupil against pupil; and it drives down standards overall. It is totally the wrong priority.

Beyond school, we have to ensure a better future for all young people. Those with A stars at 'A' level usually leave their home towns and don't come back; but those who struggle to get a few GCSEs stay behind. The bigger cities and towns boast their own university; the rest make do with the local tech.

But it's the local tech which should be at the forefront of the drive to equip the country for wrenching technological change and global competition.

As the fourth industrial revolution takes hold, only Liberal Democrats recognise that education is for all and for life and not just for the very clever, the very rich or the very fortunate.

Government has a key role in making it happen, so I will bring to the Spring Conference detailed proposals for the Individual Learning Account, to finance training and retraining all through life.

Contrast that approach with the Tories' version of the apprenticeship levy, which is actively discouraging training, and to the Tory axe being taken to funds for lifelong learning. Liberal Democrats would offer young people the prospect of decent education from nursery on; the lifelong learning required for the emerging job market; and one final piece of the puzzle: the prospect of a decent home.

Because nothing illustrates the government's paralysis of will more than the abject failure to get to grips with the inadequate supply of housing.

Tory Governments under Churchill and Macmillan built 300,000 houses a year. Now they struggle to deliver half that for a much bigger population. New social house building has almost stopped. Owner occupation is becoming a distant dream. The Conservatives used to be the party of the home owner, now they are the party of

the absentee landlord and the insecure tenant.

Sleeping on streets has become appallingly commonplace. It cannot be justified in a civilised society.

The government pursues a failed model under which developers only build and landowners only sell when they can confidently expect rising prices.

Big housing developers like Barratts, Berkeley Homes, and Persimmon are mainly land speculation machines with a side line in house building.

There must be an ambitious programme of council house building by councils freed from central government control; an end to the enforced sale of social housing, and we desperately need a programme of low cost homes for rent leading to purchase for first time buyers and key workers.

It can be done. Longstanding, successful Lib Dem councils like Eastleigh have got on and done it. No ideological dogma. Just hard work and commitment.

That is what people have come to expect from their Lib Dem councils and councillors.

## **HOW TO GET THERE**

We've begun to imagine a better Britain after the Brexit nightmare.

But the challenge remains: how to give people a way to engage in politics which offers genuine hope things can get better.

And that's why last week, I put forward proposals to remake and open up our own party... to turn the Liberal Democrats into a growing movement. Our party is still very pale and very male.

We must change that, and keep growing: welcoming more and more people in, extending our trust to supporters by giving them a say in our leadership, opening up the field of leadership candidates and making it easier for people to get involved in community politics, and stand for political office.

Reaching out, we start from 100,000 members and another 200,000 supporters. 10,000 more have come on board, in just the last ten days.

And thanks to your efforts, we start the job of building this movement from a position of greater electoral strength than was apparent a year ago.

At the last conference, I ended my speech by urging that we should all get out there together and win.

I want to say 'thank you' to each and every one of you for answering that call.

75 net gains at the local elections last May

Four new councils in Liberal Democrat control, including mine.

Our best results in 15 years.

And shortly afterwards, following a massive effort from Liberal Democrat activists, a 19% swing to Lucy Salek at the Lewisham East by-election. Our best result against Labour for fourteen years.

There can be no doubt: the Liberal Democrats are growing and winning again, and this is just

the beginning.

The next step is to win – and win big – in the local elections next year, and Willie Rennie, Jane Dodds and Caroline Pidgeon are readying us for big devolved elections from 2020 as well. Meanwhile, as we grow, the tectonic plates of British politics are shifting beneath us. The two big parties have changed from broad churches into intolerant cults. And those who question the faith are unwelcome.

The Labour leadership is dominated by people who believe in doctrines far removed from the sensible social democratic tradition which prevailed from the days of Clement Atlee to Gordon Brown.

They in turn are the mirror image of the Tory zealots who have more in common with UKIP than their party's one-nation traditions. The alt-right, the extremists, are well organised and operate as smoothly across frontiers as any multinational company.

People of moderate, decent, humane views are being marginalised as this new Illiberal International takes shape.

Much now depends on the courage of mainstream MPs in the Labour and Conservative parties. They are losing control and if they can't stop the rot, they should leave. But we, too, must be bold.

There may be a temptation to be what our colleagues in Scotland might call the 'wee frees' of British politics, sniffing suspiciously at newcomers and outsiders, who lack doctrinal purity. We cannot afford to do that. We have to become a bigger, more diverse movement. If you don't call yourself a 'moderate', fine.

I am a liberal and a social democrat and far from moderate in my detestation of what is happening at the extremes of British politics. But if others choose to identify themselves as moderates who hate extremism in their own parties, we shouldn't be quibbling about labels. Let them in.

And if they are too shy to come in, let us extend the hand of friendship and co-operate with them.

Millions of dissatisfied people are currently waiting for a lead.

Millions who can see that the two main parties have been hijacked by those who want to turn their backs on the modern, interconnected world.

Millions who can see that there are massive challenges – the housing crisis, an ageing population, a damaged environment, a fourth industrial revolution – which our paralysed political system can't handle.

Those millions of people are potentially on our side. It is our job to be on theirs. It will require bravery, single-mindedness and discipline for those in the progressive centre of British politics to make common cause.

But it can be done....And I am determined that our party should be at the heart of it, leading the Resistance to the forces of illiberalism. Leading a crusade to give the people the final say

on our future in Europe, and looking outwards to a changing world, with confidence and determination that our values will outlast and out-class the forces ranged against them. So I want to address the public directly:

If YOU demand a better future, this is your chance.

Our movement is your movement.  
An open movement, with an open leadership.

Join it.....

Shape it.....

Build it.....

Because together, we can – and we will – win. ■